AMC purchase pushes Chrysler to sell jet, defense units

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Corp.'s decision to shed its aerospace and defense subsidiary is at least in part fallout from its 1987 purchase of American Motors.

Chrysler last week said it is exploring the sale of Chrysler Technologies, which is composed of Gulfstream Aerospace, Electrospace Systems and Airborne Systems. Gulfstream builds business aircraft. Electrospace and Airborne are defense electronics operations.

Chrysler's about-face from the diversification strategy it adopted in 1985 recognizes that the AMC purchase enlarged Chrysler's automotive operation and diminished the impact of Chrysler Technologies Corp. on earnings.

The AMC purchase also saddled Chrysler with the need to develop a third automotive division and launch a fourth car line — the Eagle brand.

To make corporate diversification meaningful in the 1990s Chrysler would have had to increase its holdings in Chrysler Technologies.

That option apparently became increasingly unattractive to Chrysler executives who were seeking to slash $1 billion in costs and struggling to build vehicle share in a sluggish market.

Chrysler Technologies reported net earnings of $45.6 million on sales of $1.28 billion in 1988.

That represented only 4.3 percent of total Chrysler sales and 6.4 percent of net earnings last year.

"Technologies is a billion and a half a year (in revenues)," Chrysler Corp. Chairman Lee Iacocca said in an October interview.

Gulfstream Chairman Allen Paulson is interested in buying the company.

"It should be $5 billion. That may require acquisitions and the like but in a time of stress in the auto industry we aren't prepared to put more capital against that."

Instead, last week Chrysler said it will explore the sale of Chrysler Technologies to concentrate on its car and truck operations. Chrysler has a $15 billion five-year capital spending plan and intends to replace all of its cars within five years.

"We can only spread ourselves so far in terms of our resources and our capabilities," Chrysler Corp. Vice Chairman Gerald Greenwald said last week.

"When we bought American Motors, whether we liked it or not, we became overnight a much bigger automotive company with a lot more responsibilities and the need to do a lot more consolidation. We think it is in our best interest to focus more directly on our now bigger car and truck business," he said.

Chrysler took pains last week to stress that the proposed sale is not related to cash needs.

Greenwald said Chrysler closed the third quarter with about $3

see CHRYSLER, page 41

Porsche names Bohn successor to Branitzki

By Walter Hoenscheidt
SPECIAL CORRESPONDENT

STUTTGART, West Germany — Porsche AG has named the man to replace Chairman Heinz Branitzki when he retires on March 9.

He is Arno Bohn, deputy president of German computer manufacturer Nixdorf AG from 1986 to May this year. At 42, he will be Porsche's youngest president.

The announcements were made last week by Ferry Porsche, chairman of the Porsche supervisory board.

At the same time, Porsche confirmed two supervisory board changes. Michael Piech, a lawyer from Vienna, and Ferdinand Alexander "Butzi" Porsche, head of Porsche Design, will join the board, replacing Klaus Luft, former president of Nixdorf, and Konrad Eckert, a member of the Robert Bosch GmbH management.

Luft is the person with whom Bohn clashed before leaving Nixdorf.

Bohn began his career at Nixdorf and became marketing director. He

Arno Bohn: Porsche's next president

was appointed to the Nixdorf board in 1978 at the age of only 31, but he left in May because of differences with Luft. Since May he has been furthering his studies at Harvard.

Luft left Nixdorf three weeks ago after several years of losses.

Branitzki, 61, is the longest serving member of the Porsche board of management. He was appointed director of finance in 1964 and deputy president when Porsche was transformed from a private to a public company (AG, or Aktiengesellschaft) in 1972.

Branitzki wanted to retire two years ago but was persuaded to stay on by Ferry Porsche when he fired Peter W. Schutz in 1987.

TRADE OFF: *European Commission seeks U.S.-like restraint agreement with Japanese*

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — The European Commission will seek a U.S.-like voluntary restraint agreement for Japanese auto imports after 1992, when Europe drops internal trade barriers. The restraint would remain for an undetermined transition period, and it would not limit sales from Japanese-owned plants in Europe.

With an external trade policy now outlined after a long delay, the commission can begin negotiations with the Japanese on details, including the limit on import levels.

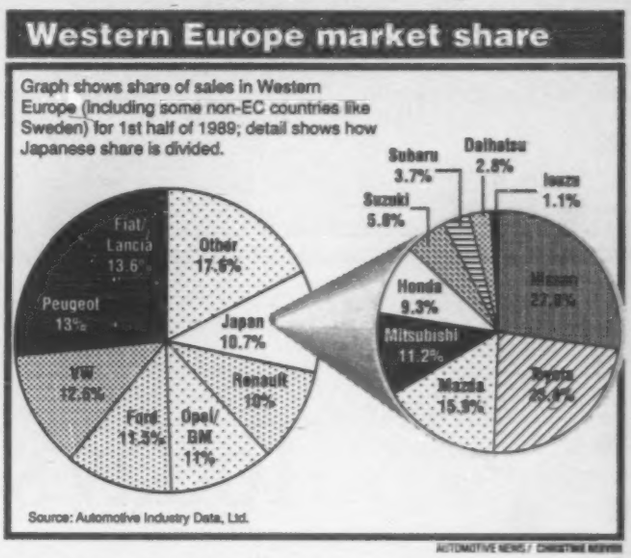
The deal is seen as a compromise between strong anti-protectionists such as EC Internal Market Commissioner Martin Bangemann of West Germany and officials in Italy and France, who have called for tough limits on the Japanese.

The commission said the transition period is needed to allow European manufacturers to adjust to the increase in Japanese penetration that is expected to coincide with the breaking down of EC market barriers and the resulting end to national restrictions.

EC External Affairs Commissioner Frans Andriessen said the commission does not intend to establish minimum local content rules for new Japanese plants being set up in Europe.

The commission will not seek strict reciprocity with Japan, as sought by Peugeot SA Chairman Jacques Calvet and others. Instead, it is calling for further opening of the Japanese market in all sectors.

(Calvet is interviewed on this and other matters on page 32.)



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World Congress slates Hudler, Roberts, Damoose, Keller

DETROIT — The Automotive News World Congress will wrap up Wednesday, Jan. 10 with speeches from representatives of two automakers, one truck maker and an automotive analyst.

Attendees will hear from: Donald Hudler, vice president of sales, service and marketing for Saturn Corp.; Roy Roberts, vice president and general manager of truck operations at Navistar International Transportation Corp.; John Damoose, vice president of Dodge car and truck division; and Maryann Keller, vice president of Furman Selz Mager Dietz & Birney.

Register for World Congress, page 21

The 14th World Congress, held in conjunction with the North American International Auto Show, will be held Sunday through Wednesday, Jan. 7-10, at the Westin Hotel in Detroit and is expected to draw industry leaders from around the world.

Hudler

Roberts

Damoose

Keller

O'Neal

Arnold Palmer Automotive Group President James O'Neal will speak during the Monday morning session. He replaces NHSTA Administrator Jerry Curry who will speak Monday evening.

O'Neal heads the largest dealer organization in the United States. It has annual revenue of $1.3 billion and 100,000 new-unit sales.

Hudler has been in his present position with Saturn since 1987. He joined GM in 1956. In 1963 he transferred to Cadillac as a zone merchandising representative in Philadelphia. After several promotions, Hudler moved to Detroit in 1973 and was named national merchandising manager. Three years later he was appointed Northeast regional manager.

Beginning in 1980, Hudler spent three years in Madrid, Spain, as Adam Opel AG's regional marketing manager for Central and Southeastern Europe. He returned to Detroit in 1983 as director of marketing policy and dealer relations and was named to his present position in February 1987.

Roy Roberts joined Navistar in 1988 as vice president and general manager of truck operations.

He came to Navistar from GM, where he served 11 years, most recently as vice president of personnel administration.

Before this assignment, he was plant manager of GM's Tarrytown, N.Y., assembly facility. At Tarrytown, Roberts transformed the plant from a site slated by GM for closure to a top-rated facility within its division. Subsequently, Tarrytown was chosen as the manufacturing location for the Chevrolet Lumina APV, Pontiac Trans Sport and Oldsmobile Silhouette models introduced this year.

see CONGRESS, page 41

TRUCK INDUSTRY

Medium, heavy sales headed for slowdown

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Truck industry officials are looking for a slowdown in the medium and heavy truck segments next year, though there's considerable uncertainty over how protracted it may be.

The American Truck Dealers, a division of the National Automobile Dealers Association, for example, has projected calendar 1989 U.S. Class 8 sales at 142,000 and calendar 1990 at 125,000.

But Bob Young, manager of American Truck Dealers' 20 Group dealers, said, "This is a crazy world right now. So many things are happening. If they start working on the defense budget, a lot of things can happen in the economy, and some of it pretty good.

"Lower interest rates would help capital investment and housing. It's too early to crystal ball that part of it."

Freightliner revised its forecast for 1989 U.S. Class 8 upward to 137,000 and is projecting calendar 1990 at 130,000.

Ford Motor Co. projects total medium-heavy Class 4-8 sales at 290,000 for calendar 1990, down 6.45 percent from a projected 310,000 this year.

That includes about 130,000 Class 6-7 truck sales in 1990, down from a projected 142,500 this year.

Net new orders for heavy-duty models totaled 10,092 in October, down 19.41 percent from 12,523 in the year-ago month.

The order rate in October was up 13.31 percent from 8,901 in September and 59.00 percent from the severely depressed 6,347-unit level in August, according to Deutsche Bank Group.

Frank Prezelski, a financial analyst with Deutsche Bank, projects U.S. Class 8 sales at 125,000 for calendar 1990, down from an estimated 140,000 this year.

"We caution that year-over-year comparisons for the next several months are likely to be very negative, although they may continue to show the gradual upward monthly pattern that has been in evidence. This is because they will be comparing against the super-heated order environment of the last two months of 1988 and the first month of 1989," Prezelski said.

"We now expect that the first positive year-over-year comparison in truck orders will occur in March or April of next year," he added.

The industry has cut its production in response to slower orders.

As a result, build rates are catching up to the order trend, Prezelski said.

This, in turn, means that backlogs of unfilled orders appear to be stabilizing at levels "slightly higher than our earlier anticipations of 42,000 units. We would not be surprised to see further backlog deterioration, even if orders continue their moderate upward movement, and they may very well decline to about the 35,000-unit level."

LIGHT-DUTY TRUCK SALES, NOVEMBER

	Nov. 1989	Nov. 1988	11 Mos., 1989	11 Mos., 1988
Vans	10,590	14,716	156,201	174,883
Aerostar	10,369	14,199	174,361	169,819
Club Wagon	1,975	2,473	23,688	25,601
Ranger	25,530	20,741	262,765	280,938
Bronco	5,283	5,295	57,677	49,681
Bronco II	8,721	9,038	101,101	114,684
Pickups	39,687	47,550	526,952	539,432
Ford	**102,155**	**114,112**	**1,302,745**	**1,355,038**
Vans	6,950	7,321	109,913	113,604
Sportsvan	849	758	9,459	11,573
Geo Tracker	1,441	759	9,952	1,259
Astro	9,071	9,922	135,995	145,749
Lumina APV	3,119	0	4,927	0
S-10	16,336	18,764	215,488	230,251
S-10 Blazer	14,218	17,824	166,793	166,875
El Camino	0	0	0	420
Blazer	1,916	2,476	20,904	24,734
Suburban	4,842	5,847	60,338	60,675
Pickups	34,622	43,433	487,632	472,251
Chevrolet	**93,364**	**107,104**	**1,221,401**	**1,227,391**
Pontiac Trans Sport	**1,104**	**0**	**1,963**	**0**
Olds Silhouette	**886**	**0**	**1,196**	**0**
Vans	4,193	4,885	63,911	54,895
Ram Wagon	1,545	1,907	22,417	23,791
Voyager	13,142	13,998	167,265	176,993
Caravan	16,420	14,952	186,102	192,502
Caravan C/V	706	1,212	12,555	17,906
Town & Country	288	0	1,567	0
Ram 50	2,000	3,041	27,491	50,443
Raider	769	919	8,985	7,106
Ramcharger	1,246	1,440	17,906	17,395
Dakota	7,234	6,482	83,225	86,264
Pickups	8,759	5,526	82,644	75,155
Chrysler	**56,302**	**54,362**	**674,068**	**702,450**
Vans	2,559	3,045	38,165	42,584
Safari	2,061	2,128	29,790	31,016
S-15	3,762	4,144	48,172	48,648
S-15 Jimmy	3,586	4,393	40,688	40,549
Jimmy	599	765	6,120	6,976
Caballero	0	0	0	60
Suburban	2,025	1,960	21,511	20,738
Pickups	9,675	12,407	138,907	130,815
P Model	228	228	3,470	3,846
W-4	107	148	1,258	1,424
GMC	**24,602**	**29,218**	**328,081**	**326,656**
Wrangler	3,526	3,791	47,935	38,591
Wagoneer	547	850	6,086	6,243
Cherokee	11,927	13,975	145,054	135,581
Grand Wagoneer	854	1,317	9,939	13,098
Comanche	1,766	2,495	23,843	35,808
J-10/J-20	0	0	0	221
Jeep	**18,620**	**22,428**	**232,857**	**231,542**
Daihatsu	130	0	130	0
Toyota	14,636	17,604	205,040	227,647
Nissan	14,272	12,302	143,259	155,262
Mazda	5,260	5,770	73,895	86,906
Isuzu	9,648	8,169	93,004	81,649
Mitsubishi	3,398	3,353	34,433	40,214
Suzuki	1,123	1,444	23,121	53,454
Subaru	0	0	0	10
Range Rover	380	169	4,234	2,983
Imports	**43,847**	**43,811**	**577,116**	**648,145**
Industry Total	**345,880**	**376,635**	**4,339,427**	**4,491,222**

Compiled by Karen Dedkowski

Mazda MPV rated tops in its class

After its first year on the market, the Mazda MPV has been rated as highest in its class in J.D. Power and Associates' most recent Compact Truck Initial Quality Survey. MPV buyers experienced fewer problems with their vehicles in the first 60-90 days of ownership than competitive compact sport-utilities.

Eaton offers warranties of 7/750,000 on drivetrains

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

SOUTHFIELD, Mich. — Heavy-truck drivetrain warranties, which have been lengthening during the past several years, recently got a further boost from Eaton.

The company has come out with seven-year/750,000-mile warranties on some of its transmissions, drive axles and non-drive axles and brakes.

Roger Hobbie, Eaton national service manager, said the new warranties result from improvements in the company's products.

To some degree they are driven by the increasing competition among Eaton, Dana and Rockwell, all of which have elected to become complete heavy-truck driveline suppliers and have begun encroaching on each other's traditional sales strongholds.

The new expanded Eaton Roadranger warranties cover 100 percent parts and labor on applicable components sold beginning in November.

The company's basic warranty provides three-year/300,000-mile warranty coverage on its on/off-highway Eaton Fuller heavy-duty manual transmissions, the 8600 series-and-above, as well as most of its tandem drive axles, steer axles and brakes, including its new heavy duty and severe duty extended service brakes.

A free five-year/750,000-mile on-highway warranty has been expanded to include virtually all 7-, 8-, 9- and 10-speed Eaton Fuller transmissions, while adding coverage for DS341 tandem axles and its new ES-150 extended service steer axle brake.

The company also is offering additional seven-year/750,000-mile coverage on its 7-, 8-, 9- and 10-speed transmissions as well as various on-highway drive axles, steer axles and brakes.

Components warrantied under this plan, as well as specialty on-highway and on/off highway transmissions covered by an optional five-year/500,000-mile warranty, require either Eaton's special synthetic lubrication or a brand recommended by the company.

Extended warranties on the specialty transmissions, such as the 8LL, 13, 15, 18-speeds and 9-speed B-ratio models, also are available for an extra $275.

TRUCK BRIEFS

Mack adds transmissions

ALLENTOWN, Pa. — Mack Trucks has introduced two lightweight, heavy-duty transmissions to complete its conversion to a full line of T200 series transmission designs.

The new 13-speed T2130 and 18-speed T2180 are geared to all heavy-duty on- or off-road truck applications that require the flexibility of multiple-speed configurations.

They complement Mack's current selection of 5-, 6-, 7-, 8-, 9- and 10-speed T200 models. Both new transmissions have a "range and splitter" design. They feature an overall range of 19.59:1, with torque capacity ratings of 1,700 pounds-feet.

The 13-speed T2130 has a low gear ratio of 13.91:1 and an overgear ratio of 0.71:1, with gear steps of 18 percent in the top gears and 40 percent in the low gears.

The new 18-speed T2180 has the same low gear and overgear ratios as the T2130, with the addition of five intermediate low gears. The average gear step through all 18 gears on the T2180 is 18 percent.

Hino parts plan

ORANGEBURG, N.Y. — Expanding its remanufactured parts program, Hino Diesel Trucks has begun offering relined brake shoes.

The company recently began offering remanufactured starters and alternators.

All parts are backed by the company's remanufactured parts warranty and are available through its dealer network.

Rockwell's composites

CHARLOTTE, N.C. — Plastic composites are being used more extensively in exterior body panels on medium and heavy trucks, as evidenced at the SAE Truck and Bus Meeting and Exposition.

Rockwell International exhibited two huge truck hood and fender assemblies made of sheet molding compound.

One of them recently went into production on General Motors' new line of medium-duty models, the GMC TopKick and Chevrolet Kodiak.

The other hood-and-fender assembly was developed for Mack's recently introduced CH600 heavy-duty series.

Aram Najarian, vice president and general manager of Rockwell's plastic products businesses, noted that most major North American truckmakers are switching from steel to fiberglass-reinforced plastic hood-and-fender assemblies to enhance vehicle styling, aerodynamics and cost efficiency.

The company also displayed a new compression-molded thermoplastic instrument panel specifically for heavy-duty trucks.

The composite instrument panel, being supplied to Volvo GM Heavy Truck for its Class 8 models, was developed by the Butler Polymet unit of Rockwell's plastic products businesses.

The instrument panel is compression molded from glass mat thermoplastic compound that has a 40 percent fiberglass content.

Kenworth locator plan

KIRKLAND, Wash. — Kenworth Truck launched a National Used Truck Locator program to help fleets find used company models.

Many fleets buy exclusively used vehicles. Typically, 40 percent of the Class 8 trucks purchased in a given year are used, according to Jon Wyman, Kenworth's national used truck manager.

Under the program, each Kenworth dealer participating in the program will have his used trucks listed in the company's central computer.

The will enable each dealership to pull up any used truck available in the system, Wyman said.

He said that more than 3,000 used trucks will be included in the data base, ranging from short-haul and over-the-road models to construction and logging vehicles.

In addition to dealer inventories of used trucks there will be a selection of clean, well-maintained finance lease units listed from PACCAR Financial and full-service lease units from PACCAR Leasing for purchase through Kenworth dealers.

CANADIAN CAR AND TRUCK SALES

Domestic cars	Oct. 1989	Oct. 1988	10 mos., 1989	10 mos., 1988
General Motors	23,515	30,335	268,170	301,016
Ford	17,586	20,034	164,295	171,647
Chrysler	9,542	12,169	104,803	126,134
Honda	1,867	1,669	22,036	13,763
Hyundai	810	0	810	0
Volvo	219	224	3,182	2,161
Domestic car total	**53,539**	**64,431**	**563,296**	**614,721**
Import cars				
Toyota	5,746	5,420	67,240	80,715
Honda	5,697	3,334	50,794	49,971
GM	3,490	1,944	26,365	23,757
Nissan	3,094	2,337	24,989	26,036
Mazda	2,091	1,699	23,039	24,230
Hyundai	1,804	2,343	23,793	26,520
Volkswagen	1,665	2,567	25,387	30,083
Chrysler	1,332	1,218	18,504	10,878
Subaru	786	529	5,485	6,623
Ford	683	461	7,383	5,717
Suzuki	485	168	6,237	6,071
BMW	356	402	3,696	4,267
Volvo	306	180	2,731	3,138
Mercedes-Benz	291	314	3,486	3,614
Jaguar	109	163	1,340	1,821
Saab	96	90	1,062	1,154
Lada	38	61	557	857
Peugeot	12	0	203	78
Skoda	7	36	152	328
Import car total	**28,088**	**23,286**	**292,443**	**285,858**
TOTAL — ALL CARS	**81,627**	**87,697**	**855,739**	**900,579**
Domestic trucks (including vans)				
General Motors	13,547	15,090	134,341	147,752
Ford	11,910	13,757	120,128	127,190
Chrysler	8,040	8,171	87,962	91,895
Domestic truck total	**33,497**	**37,018**	**342,431**	**366,837**
Import trucks (including vans)				
Mazda	1,482	805	15,155	9,570
Toyota	1,440	972	14,017	12,661
Nissan	1,368	703	11,583	11,354
General Motors	1,112	617	9,322	1,909
Suzuki	639	561	6,477	4,614
Chrysler	156	213	2,051	3,278
Volkswagen	48	36	720	769
Lada	14	20	201	135
Import truck total	**6,259**	**3,927**	**59,526**	**44,290**
TOTAL — ALL TRUCKS	**39,756**	**40,495**	**401,957**	**411,127**
TOTAL — CARS, TRUCKS	**121,383**	**128,642**	**1,257,696**	**1,311,706**

Canadian sales slip 6% in Oct.

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — Canadian car and truck sales declined nearly 6 percent in October as a healthy increase in imports was not enough to offset a decline in domestic volume.

Domestically built cars were off 16.9 percent from October 1988 levels. Although imports were up 20.7 percent, it was not enough to prevent total car sales from dropping 6.92 percent.

On the domestic car side, General Motors of Canada and Chrysler Canada suffered the most, down 22.48 and 21.59 percent, respectively. Ford of Canada slid 12.2 percent.

Canada's continuing high interest rates — last week's prime rate was 13.5 percent — were blamed as a strong factor in slowing sales. Udo Kaul, Ford's general sales vice president, put it this way: October's "sales decrease again illustrates how high interest rates can put the brakes on car and truck sales — and how interest support programs remove that barrier to continuing strong sales." Ford has been offering interest rates as low as 6.9 percent on selected models.

GM's marketing vice president, Bill Atkinson, echoed Kaul's sentiments: "There can be no doubt that high interest rates have had an adverse effect on the automobile industry," he said. But he said despite a general slowdown in passenger car deliveries, GM's small cars were a bright spot.

The Chevrolet Sprint was up 68.0 percent, the Pontiac Firefly, 98.4 percent, the Chevrolet Corsica, 44.3 percent, and the Pontiac Tempest, 53.7 percent. It was a record October for these car lines.

GM's small-car success continued on the import side, showing a 79.53 percent gain over last October.

Strong import sales increases also were made by Ford, Mazda, Nissan, Subaru, Suzuki and Volvo. Luxury imports Jaguar, Mercedes-Benz and BMW all lost ground, while Saab showed slight improvement.

For the year, total car import sales are up 2.3 percent, while domestic car sales are off 8.36 percent.

The car sales pattern carried over into the light-truck and van field. All domestics showed a loss for the month, while six of the eight importers registered gains.

Substantial improvements by GM, Mazda, Nissan and Toyota helped push imported truck sales 59.38 percent ahead on the month.

Total vehicle sales slipped 5.65 percent for the month. They are down 4.12 percent on a year-to-date basis.

Canada's AHA Automotive to help design prototype

BRAMPTON, Ontario — AHA Automotive Technologies Corp. announced that it has been awarded a contract by Dutcher Corp. of San Marcos, Calif., to assist in the design and development of a prototype paratransit vehicle.

Dutcher developed its initial paratransit vehicle in 1984 and began limited production in 1986. Since then, Dutcher has been seeking a manufacturer to mass produce its vehicle under contract.

The Dutcher prototype is a purpose-built vehicle, not a van conversion. It will accommodate seven passengers or four passengers and two wheelchairs. The vehicle is powered by a 3.8-liter, V-6 Buick engine mounted in the rear.

'90 Montreal auto show moves to stadium site

By Alex Law
STAFF CORRESPONDENT

Montreal's Olympic Stadium will be the site of Canada's first auto show of 1990.

After more than 20 years in a downtown hotel convention center, the Montreal International Auto Show will move to the suburban stadium for the Jan. 11-21 exhibition.

The change will give the show increased display space and is expected to help boost attendance by 25 percent from the usual 200,000 to 250,000 persons.

Show organizer Diane Bellair said the space available for the 32 manufacturers and the 650 vehicles they will display will be increased 42 percent over last year's event. Most of that will be taken up by light trucks in a newly designed truck center.

At the same time, the space for the 50 aftermarket accessory exhibitors will increase by 190 percent.

The show also plans to enlarge the space set aside to such attractions as classic cars.

Bellair said that to bring true the show's "Unveil the 90s" slogan, the manufacturers are promising to deliver more Canadian premieres than ever before.

On that list will be several General Motors models including the expected Canadian debut of the 1991 Chevrolet Caprice and four-door Chevrolet Blazer/GMC Jimmy.

Ford's 1991 Escort and Explorer will be displayed at the Montreal show, as will the Toyota Lexus and Nissan Infiniti, Hyundai S-Coupe, Toyota Previa and MR2, BMW 850i, and Volkswagen Passat.

BMW's 850 makes its Canadian debut at the Montreal International Auto Show. The coupe's 12-cylinder engine puts out 300 horsepower, and acceleration from 0-to-62 mph takes less than seven seconds.

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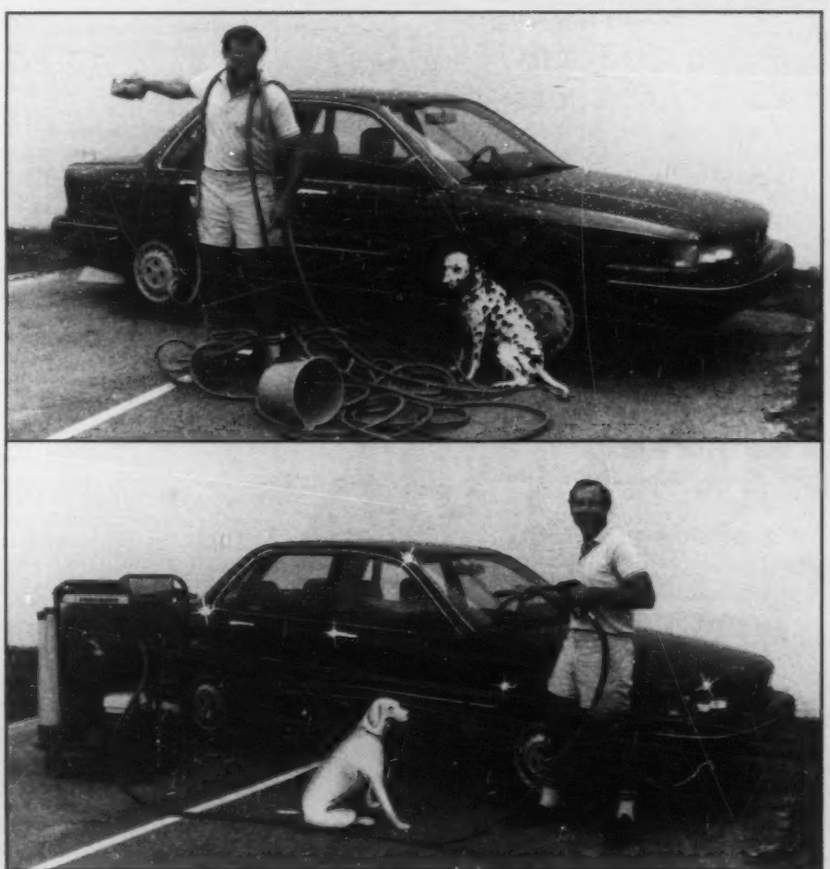

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ORDERS

FROM PAGE 1

trail 1988 by 5.12 percent.

November's sales are worse. They declined 13.65 percent from the same period a year ago.

Even production forecasts for the first quarter are bleak. U.S. automakers predict an 8 percent slide in production compared with the first three months of this year.

Car assembly is projected at 1,745,039 units for the first quarter of 1990. Of that total, Big 3 output will fall 14.59 percent while the Japanese makers' domestic build is scheduled to climb 30.00 percent over the first quarter of 1989.

Normally, production schedules undergo several revisions from original forecasts. But this quarter, the forecast appears to be in line with the sluggish sales outlook.

To keep production in line with sales, GM has extended the holiday vacation by as much as nine days for some workers and four days for others.

In Canada, GM announced last week it will idle three assembly plants in January because of sagging U.S. sales.

Also, GM plans to lay off 350 second-shift workers indefinitely at its engine plant in St. Catherines, Ontario, effective Jan. 15. In all, GM will furlough roughly 17,600 workers in Canada.

Meanwhile, transplant and joint-venture carmakers expect to assemble 358,039 cars during the first quarter, about 82,600 units more than this year's first quarter.

Honda of America Manufacturing helped boost the total with the addition of its new plant in East Liberty, Ohio. Pilot production of the Civic four-door sedan is currently under way and about 6,000 of those East Liberty Civics are included in Honda's first quarter schedule. Subaru-Isuzu will assemble about 5,600 cars at its Lafayette, Ind., plant in the first quarter of 1990.

Automakers recently revised their fourth quarter production schedules downward by almost 39,000 units. With only weeks left, assembly is now targeted at 1,617,162, 14.81 percent below the 1,898,220 units built in last year's fourth quarter.

Rick Kranz, chief editor of the Automotive News copy desk, contributed to this report.

FIRST QUARTER AUTO PRODUCTION SCHEDULE, U.S.

	Projected 1990	Actual 1989	% change
GM	730,000	883,785	-10.61
Ford	405,000	486,443	-16.72
Chrysler	192,000	253,669	-24.31
Total Big 3	1,387,000	1,623,897	-14.59
Diamond-Star	52,442	9,354	—
Honda	110,475	99,916	+10.57
Mazda	58,000	61,501	-5.69
Nissan	30,022	29,557	+1.57
NUMMI	52,000	50,034	+3.93
Subaru-Isuzu	5,600	—	—
Toyota	49,500	25,040	+97.68
Total transplants/joint ventures	358,039	275,402	+30.00
Total	1,745,039	1,899,299	-8.12

Ford, Japanese firm plan U.S. glass venture

DEARBORN, Mich. — Ford Motor Co. said that its glass division plans to set up a joint venture with Central Glass Co. of Tokyo to supply glass to Japanese transplants in the United States.

The glass, supplied by Ford glass division plants, will be fabricated into windshields and side windows at a new greenfield joint-venture plant, probably in the Mid-South near Japanese transplants, a Ford spokesman said. Central Glass will own 51 percent of the joint venture and Ford 49 percent.

Ford and Central Glass hope to begin operations in the second half of 1991.

GM-FORD

FROM PAGE 1

executive-class models have had difficulty competing in segments dominated in Europe by established prestige-car specialists. And the coming Japanese upmarket thrusts intensify the problem.

GM's Opel and Vauxhall offer the Senator sedan that is derived from the upper-middle range Omega/Carlton. The car has been well-received by the automotive press, but sales have been disappointing since its 1987 launch. Ford has had similar problems with Scorpio/Granada.

Eaton said it would be a "three-to four-year proposition" to launch a second channel. He also said it would be difficult to support a separate franchise with only one vehicle and that co-development of Lotus versions of Opel/Vauxhall models is a possible source of products for such a network.

GM has not decided to go forward with the idea, Eaton said. If it does go ahead, he said, the franchise would not necessarily extend to the United States.

GM sources in Europe say that before Ford bought Jaguar, GM hoped to create a marketing joint venture with the British company that would have sold a smaller Jaguar competing in the BMW 5-series segment.

Ford has likewise found the going tough with its Scorpio against the likes of Mercedes-Benz and BMW. There has been some speculation in Europe that Ford might not need Scorpio now that it has Jaguar to compete in the luxury segment.

But Halstead said, "The thought never entered my head." He added, "There is a big gap. The Scorpio segment is going to have to stay in the Ford line. It's far away from Jaguar.

"We still need some upmarket cars before we get to Jaguar. We certainly keep looking at it. I don't have a firm plan. That was one of the reasons we were talking to Saab and talking to Jaguar at the same time. They both would have been viable. And the need is still there." Ford talks with Saab broke off in October.

Ford's European marketing staff has also conducted studies of all-new high-line franchises for Europe. Like GM, Ford has concluded that it would need more than one model to support a new franchise.

Scorpio is expected to be replaced in the mid-1990s on a platform primarily engineered in the United States. A notchback version will be added to the line early next year and a station wagon is expected later.

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Circle ReaderService #18

New vehicle ban has Mexico City seeing more clearly

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — Despite reports of widespread corruption, Mexico City's most serious anti-air pollution drive to date is proving successful. Smog levels have dropped and traffic is much lighter.

The authorities have banned 500,000 vehicles from the streets every weekday.

On Mondays, vehicles with a yellow sticker must stay off the streets between 5 a.m. and 10 p.m. On Tuesday, pink-stickered vehicles are prohibited. Vehicles with red, green and blue stickers are affected on Wednesday, Thursday and Friday.

The major problem, as far as the authorities are concerned, has been the graft undermining the campaign.

Bureaucrats have demanded and gotten money from drivers wishing to exercise their right to change the color of their sticker. And drivers whose vehicles had no chance of passing the anti-pollution test have made under-the-counter payments to obtain the required documentation.

Traffic cops have also been accused of accepting bribes for not booking offenders. Fines are about $200.

Exempt from the program are public service vehicles.

But all vehicles are required to have another sticker, indicating that they have passed an exhaust emission test. And, if challenged by the police, drivers must produce documentary proof that the test has been taken and passed.

In addition, the state oil monopoly, Petroleos Mexicanos, has put on sale a new "oxygenated" gasoline. PEMEX claims the fuel improves engine combustion and reduces carbon monoxide emissions by 15 percent and hydrocarbon emissions by 12 percent.

"Air contamination levels have been much lower and have not reached the dangerous levels we used to have," said Regina Barba Pirez, a prominent environmentalist.

Environmental groups, which campaigned vigorously to get the government to adopt the measures, want them to be continued indefinitely.

They were introduced in mid-November, and the government plans to suspend them at the end of February.

That's usually the time of year when the cold winter air, which traps pollution in the city until the early afternoon, gives way to warmer air currents that allow the smog to rise and to be blown out of the valley of Mexico, 7,200 feet above sea level.

A year ago the government ordered all the capital's schools to close in January in a bid to protect children from the high pollution levels.

"We don't consider such a step necessary this year," an education ministry spokesman said.

Nevertheless, government ministers recognize that the metropolitan area, which has 20 million inhabitants, still has the world's most contaminated air. A cloud of pollution still hangs over the city, reducing visibility to a few hundred yards on bad days and causing eyes to sting even on the better days.

Experts say that private cars produce more than 50 percent of the contamination, which also reportedly can lead to throat and lung disorders. Heavily leaded gasoline, which PEMEX has undertaken to replace with unleaded fuel within two years, reportedly causes brain damage in small children.

A spokesman for Chrysler Mexico said: "We are not opposed to this (ban) at the moment. It's working. However, we shall pursue other ways of rationalizing the use of cars."

This summer, Chrysler Mexico President Erick A. Reickert said he opposed the idea of arbitrarily stopping cars from using the roads.

INCENTIVE WATCH

CUSTOMER INCENTIVES

	Rebates	Finance Rates (Pct.) — Months — 24	36	48	60	Expiration Date
Chrysler Motors (1988-89 models)						
Chrysler	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge cars	$500-$1,000	6.9	7.9	9.9	9.9	None
Dodge trucks	$500-$2,500	6.9	7.9	9.9	9.9	None
Eagle	$750-$1,200	6.9	7.9	9.9	9.9	None
Jeep	$500-$1,000	6.9	7.9	9.9	9.9	None
Plymouth	$500-$750	6.9	7.9	9.9	9.9	None
Chrysler Motors (1990 models)						
Chrysler	**$500-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Dodge cars	**$300-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Dodge trucks	**$500-$2,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Eagle	**$500-$2,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Jeep	**$500-$1,000**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Plymouth	**$300-$750**	**6.9**	**7.9**	**9.9**	**9.9**	**None**
Ford Motor Co. (1989 models)						
Ford cars	$500-$1,000	6.9	8.9	9.9	10.9	None
Ford trucks*	$500-$1,250	6.9	8.9	9.9	10.9	None
Lincoln	$1,000-$1,500					None
Mercury	$600-$1,500	6.9	8.9	9.9	10.9	None
Merkur	$3,000-$4,000					None
*-Ford truck finance incentive applies only to Ranger, Bronco and Bronco II.						
Ford Motor Co. (1990 models)						
Ford cars	**$500-$1,000**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Ranger, Bronco, Bronco II, Econoline	**$500-$1,250**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Mercury Topaz, Cougar, Sable	**$600**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
*-Ford truck finance incentive applies only to Ranger, Bronco and Bronco II.						
General Motors (1989 models)						
Chevrolet cars	$300-$1,000	8.9	8.9	9.9	10.9	Feb. 2
Chevrolet trucks	$500-$1,250	6.9	8.9	9.9	10.9	Feb. 2
GMC	$500-$1,250	6.9	8.9	9.9	10.9	None
Olds Cutlass Supreme, Buick Regal		4.8	4.8	4.8	10.9	Jan. 3
General Motors (1990 models)						
Buick**	**$200-$1,000***	**6.9**	**8.9**	**9.9**	**10.9**	**Feb. 2**
Oldsmobile**	**None**	**6.9**	**8.9**	**9.9**	**10.9**	**Feb. 2**
Olds Cutlass Supreme, Buick Regal		**4.8**	**4.8**	**4.8**	**10.9**	**Jan. 3**
Chevrolet cars***	**$500-$1,400**	**6.9**	**8.9**	**9.9**	**10.9**	**Feb. 2**
Chevrolet trucks	**$500-$1,250**	**6.9**	**8.9**	**9.9**	**10.9**	**Feb. 2**
GMC	**$750-$1,250**	**6.9**	**8.9**	**9.9**	**10.9**	**Jan. 4**
Pontiac	**$500-$1,000**	**6.9**	**8.9**	**9.9**	**10.9**	**None**
Grand Prix		**4.8**	**4.8**	**4.8**	**10.9**	**None**
*-Based on option packages selected **-Except Oldsmobile Cutlass Supreme and Buick Regal ***-Prizm: $800 for domestic owners; $1,400 for import owners						
Hyundai Excel (1988-89 models)	$500-$1,000					Jan. 3
Sterling (1989)	$3,500-$5,000					Dec. 31
Subaru Justy ('89)	$500-$1,000*					Jan. 3
*-Rebates go to the customer in some regions and to the dealer in other regions.						
Volkswagen (1989 models)	$500-$4,000	2.9	6.9	7.9	9.9	Dec. 31

INCENTIVE WATCH

DEALER INCENTIVES

	Rebate	Expiration Date
Chrysler (1989 models) TC by Maserati	$6,000	None
Ford Motor Co. (1989 models) Festiva	$200-$400, quota	Dec. 31
Escort, Tempo, Taurus Thunderbird	$200-$500, quota	Jan. 9
Taurus SHO	$1,000	Jan. 9
Ford Ranger	$250-$750, quota	Jan. 3
Bronco II	$250	Jan. 3
Aerostar, F Series	$200-$500	Jan. 9
Ford Motor Co. (1990 models) Festiva	**$200-$400, quota**	**Dec. 31**
Escort, Tempo, Taurus, Thunderbird	**$200-$500, quota**	**Jan. 9**
Taurus SHO	**$1,000**	**Jan. 30**
Ford Ranger, Bronco II	**$250**	**Jan. 3**
Aerostar, F Series	**$200-$500, quota**	**Jan. 9**
General Motors (1989 models) Oldsmobile	$500-$2,500	Jan. 3
Pontiac	$500-$1,250	None
General Motors (1989-90 models) Buick (1990 only)	**$1,000-$2,000 on Reatta, Riviera, Park Avenue Ultra**	**Feb. 2**
All Buick	**$200-$500, quota**	**Jan. 4**
Chevrolet Cars	**$200-$500, quota**	**Jan. 4**
Chevrolet Trucks*	**$200-$500, quota**	**Jan. 4**
GMC*	**$200-$500, quota**	**Jan. 4**
Oldsmobile (1990 only)	**$500-$1,000, quota**	**Jan. 3**
Pontiac	**$200-$500, quota**	**Jan. 4**
*—Excluding S-10 pickup and Blazer and S-15 pickup and Jimmy		
Hyundai (1989-90 models)	$300-$1,500	Jan. 3
Isuzu (1989 models)	$1,500, quota	Dec. 31
Nissan (1989 models) Axxess, trucks	$200-$2,000	Jan. 5
Peugeot (1989 models)	$1,000	Dec. 31
Subaru XT (1989 model)	$1,000-$3,000*	Jan. 3
Justy ECVT (1989 model)	$200	Jan. 3
Legacy (1990 models)	**$1,000**	**Jan. 14**
*-Rebates go to the customer in some regions and to the dealer in other regions.		
Toyota Tercel, Celica (1989 models)	$300-$500	Jan. 3
Corolla, Camry (1989 models)	$500-$800, quota	Jan. 3
Corolla, Camry (1990 models)	**$100-$400, quota**	**Jan. 3**
Trucks (1989 models)	$100-$1,000, quota	Jan. 3
Trucks* (1990 models)	**$100-$800, quota**	**Jan. 3**
*-Except 4Runner		

3 GM cars get 48-month loans

Several automakers fine-tuned, phased-out or extended their incentive programs last week.

Customers who purchase 1989 and 1990 Oldsmobile Cutlass Supremes or Buick Regals or 1990 Pontiac Grand Prix are offered a 4.8 percent finance rate on contracts up to 48 months.

The finance package is in lieu of the $750 cash rebate on 1990 Grand Prix LE, $1,000 rebate on the 1990 SE and $200 to $1,000 (depending on option package) on the 1990 Buick Regal. The 4.8 percent rate on these models is also avilable under General Motors Acceptance Corp.'s SmartLease program. The Oldsmobile and Buick program expires Jan. 3. Pontiac's program ends Jan. 4.

Nissan's $1,500 to $2,000 customer incentive on the 1989 Stanza expired Dec. 4. Nissan extended the $200 to $2,000 dealer incentive on 1989 Nissan Axxess and trucks until Jan. 5.

Toyota's dealer incentive program, which pays $500 on the 1989 Tercel, $500 on the 1989 Celica and $300 on the 1990 Tercel was extended until Jan. 3. It was to expire Dec. 4. Toyota is offering dealers $100 to $1,000 on all 1989 trucks and $100 to $800 on all 1990 trucks except the 1990 4Runner four-wheel drive. The cash amount depends on the number of vehicles sold. The program ends Jan. 3.

— Arlena Sawyers

Mazda plant expands to ready for '92 change

FLAT ROCK, Mich. — Mazda Motor Manufacturing Corp. will spend $9 million to add space to its stamping plant in preparation for its 1992 models.

The 53,000-square-foot addition is slated to be used for die storage, and as an office area for engineering and manufacturing workers.

SALES

DOMESTIC CAR SALES, NOVEMBER

	Nov. 21. to Nov. 30. 1989	Same Period. 1988	Nov. 1989	Same Month. 1988	Jan. 1. to Nov. 30. 1989	Same Period. 1988
Alliance	0	0	0	0	0	4,418
Eagle	0	0	0	0	0	1,392
Talon	597	0	1,574	0	5,436	0
Premier	397	1,218	1,243	3,862	38,463	37,796
Total Eagle	994	1,218	2,817	3,862	43,899	43,606
Horizon	612	1,366	1,959	3,687	38,006	57,900
Laser	758	0	2,136	0	18,563	0
Sundance	2,179	2,373	6,246	7,570	80,201	81,841
Turismo	0	0	0	0	0	1,115
Reliant	389	2,177	1,155	7,157	31,845	103,741
Acclaim	3,032	1,173	9,383	1,587	85,364	1,587
Caravelle	0	73	0	228	733	12,739
Gran Fury	0	257	0	993	1,443	12,434
Total Plymouth	6,970	7,419	20,879	21,222	256,155	271,357
LeBaron K	0	98	0	313	787	19,892
LeBaron J	1,381	2,431	4,126	7,155	78,794	92,170
LeBaron GTS	61	192	166	547	4,428	14,592
Fifth Avenue (rwd)	65	612	206	1,670	11,220	34,426
Fifth Avenue (fwd)	1,207	0	3,217	0	8,673	0
Imperial	244	0	777	0	777	0
New Yorker C	986	2,949	2,646	7,810	71,176	72,283
New Yorker E	0	9	0	48	237	14,515
Total Chrysler	3,944	6,291	11,138	17,543	176,092	247,878
Omni	627	1,353	1,857	3,812	38,697	56,120
Shadow	2,402	2,232	7,223	6,675	77,146	84,048
Charger	0	0	0	0	0	1,022
Daytona	1,102	1,583	2,786	4,407	61,225	67,974
Aries	319	2,963	977	8,087	30,751	95,479
Lancer	47	170	142	396	3,029	9,687
Spirit	2,854	559	7,645	792	70,009	792
Diplomat	0	429	0	1,054	2,551	18,977
Dynasty	3,393	2,555	8,141	8,491	101,456	71,557
Dodge 600	0	91	0	267	808	11,756
Total Dodge	10,744	11,935	28,771	33,981	385,672	417,412
CHRYSLER MOTORS	22,652	26,863	63,605	76,608	861,818	980,253
Escort	6,888	8,622	18,536	27,582	315,393	356,076
Mustang	2,910	3,708	9,043	11,001	154,288	157,333
Tempo	4,946	6,730	14,658	19,794	212,654	261,531
Taurus	8,783	9,176	23,731	28,021	323,611	343,063
Thunderbird	2,513	1,307	7,315	4,197	115,121	107,631
Probe	3,302	3,456	8,832	10,720	126,157	67,963
Crown Victoria	2,055	2,418	5,795	7,992	100,939	105,588
Total Ford Div.	31,397	35,417	87,910	109,307	1,348,163	1,399,205
Tracer/Lynx	902	1,320	2,606	4,117	56,239	55,088
Topaz	1,842	2,903	4,927	7,607	80,031	84,294
Sable	2,298	2,696	6,802	8,281	104,043	109,941
Cougar	2,042	766	5,607	2,438	94,978	93,840
Grand Marquis	2,441	2,896	6,739	8,535	104,616	106,591
Total Mercury	9,525	10,581	26,681	30,978	439,907	449,754
Continental	1,451	2,074	5,097	5,609	52,052	41,110
Town Car	4,123	2,605	11,626	8,198	109,768	111,288
Mark VII	462	747	1,415	2,057	23,516	20,595
Total Lincoln	6,036	5,426	18,138	15,864	185,336	172,993
Total L-M Div.	15,561	16,007	44,819	46,842	625,243	622,747
FORD MOTOR CO.	46,958	51,424	132,729	156,149	1,973,406	2,021,952
Skyhawk	119	618	357	1,643	16,228	24,325
Somerset/Skylark	2,040	1,392	4,619	3,539	58,996	54,392
Century	4,571	5,144	9,859	12,155	123,632	119,107
Regal	1,496	3,462	4,068	9,044	71,818	114,066
LeSabre	4,633	4,076	11,309	10,155	137,160	129,589
Reatta	178	224	642	555	7,624	3,949
Electra	2,164	2,436	5,268	6,240	72,969	78,137
Riviera	691	586	1,519	1,578	17,820	9,915
Total Buick	15,892	17,938	37,641	44,909	506,247	533,480
Cimarron	0	94	0	243	240	5,662
Allante	90	51	248	145	3,130	2,942
Seville	836	1,112	2,114	2,361	20,707	20,269
DeVille	5,541	7,461	13,230	15,307	159,886	141,408
Brougham	1,934	1,736	4,685	3,523	35,890	43,070
Eldorado	808	1,206	2,022	2,708	28,324	28,470
Total Cadillac	9,209	11,660	22,299	24,287	248,177	241,821
Chevette	0	0	0	0	0	205
Geo Prizm/Nova	2,973	948	7,838	2,710	78,421	92,486
Cavalier	6,576	9,444	18,770	22,390	273,489	277,201
Camaro	1,386	3,598	4,313	9,642	92,098	91,899
Celebrity	827	7,678	2,465	20,742	139,695	231,371
Corsica/Beretta	5,321	8,190	15,110	22,700	311,202	353,015
Lumina/Monte Carlo	5,022	161	15,447	527	95,307	28,098
Caprice	2,488	4,763	7,393	14,147	141,882	157,860
Corvette	658	489	1,785	1,538	22,297	21,754
Total Chevrolet	25,251	35,271	73,121	94,426	1,154,391	1,253,889
Firenza	0	51	0	175	12	8,390
Calais	2,261	3,401	6,524	8,371	89,515	97,683
Cutlass Ciera	3,227	6,124	8,500	15,716	183,421	221,523
Cutlass Supreme	2,548	4,777	6,752	10,204	91,582	105,737
88	3,392	4,420	8,203	11,569	130,460	148,110
98	1,623	2,303	4,173	5,623	62,248	67,802
Toronado	624	259	1,280	767	9,005	14,019
Total Oldsmobile	13,675	21,335	35,432	52,425	566,243	663,264
Fiero	0	180	0	535	1,961	23,323
Pontiac 1000	0	0	0	0	0	154
Sunbird	2,052	2,179	6,358	6,523	94,047	78,290
Firebird	840	1,248	2,388	3,768	52,978	54,381
Grand Am	4,861	4,872	12,829	16,236	188,926	208,956
Pontiac 6000	1,192	2,675	3,596	7,701	63,613	90,365
Grand Prix	3,240	31,316	7,971	8,778	106,582	92,792
Bonneville H	2,156	2,504	5,561	7,696	82,573	99,581
Safari/Parisienne	17	139	76	382	3,823	6,264
Total Pontiac	14,358	16,933	38,779	51,619	594,503	654,106
GENERAL MOTORS	78,385	103,137	207,272	267,666	3,069,561	3,346,560
HONDA	15,626	14,642	33,771	33,601	357,856	344,198
Civic	6,609	6,454	15,623	14,873	161,775	113,565
Accord	9,017	8,188	18,148	18,728	196,081	230,633
MAZDA	1,606	1,285	3,116	2,561	37,871	28,754
MITSUBISHI	1,333	0	3,305	0	28,635	0
NISSAN	4,626	3,243	8,757	6,667	98,913	104,243
TOYOTA	9,577	5,852	21,058	8,797	189,070	60,005
VOLKSWAGEN	0	0	0	0	0	24,939
DOMESTIC TOTAL	180,765	206,446	473,613	552,049	6,617,130	6,910,904
IMPORT TOTAL			209,188	238,721	2,599,927	2,803,660
INDUSTRY TOTAL			682,801	790,770	9,217,057	9,714,564

U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

SALES

FROM PAGE 2

For the month, the Big 3's share of combined U.S.-built and imported car sales sank to 62.39 percent. That was the lowest Big 3 car share for any month since the 60.69 percent in November 1986, when sales were affected by changes in the tax benefits of new-car purchases.

In November 1988, the Big 3 share was 66.70 percent.

The Japanese companies gained 4.7 points of combined car share at the Big 3's expense. Their share jumped to 30.58 percent in November.

Honda and Toyota were the big winners. Their U.S.-built and import car share rose by two and a half points, to a combined 18.7 percent of the U.S. car market. Each had over 9 percent, just behind Chrysler's 10.33.

The sales slide was consistent through the month. A fall of 12.44 percent for Nov. 21-30 followed declines in the first two 10-day periods.

For the entire month, U.S.-built cars sold at a weak 6.0 million seasonally adjusted annual rate, according to a Commerce Department formula.

In the recession years of 1981-1982, some monthly rates were around 5.5 million, said Michael Luckey, Michael Luckey Consulting Group, Cresskill, N.J.

The five transplant makers reported gains in the month. Toyota sold more than twice as many U.S.-built Corollas and Camrys this year.

Nissan, Mazda and Honda reported sales gains, and Mitsubishi sold 3,305 Eclipses in November. It was not making cars in the United States a year ago.

Meanwhile, importers sold 209,188 imported-cars in November, a decline of 12.37 percent from last year. A third of the import makers reported gains.

When light trucks are added to the sales picture, the decline from November last year is only 11.84 percent.

Sales of imported and domestic vehicles totaled 1,028,681.

In November, the four companies that build both trucks and cars in the U.S. sold 723,668 U.S.-built vehicles, a decline of 14.1 percent from last year. Nissan sold 21.40 percent more U.S.-produced vehicles than last year, but the Big 3 declined.

Chrysler retailed 9.69 percent fewer domestically-made cars and light trucks and Ford reported a 13.09 percent loss. GM's U.S.-built car and light truck sales fell 19.1 percent.

The four manufacturers sold 311,305 U.S.-built light trucks, down 8.31 percent for last year.

Automotive News Staff Reporter Arlena Sawyers contributed to this report.

MARKET SHARES, NOVEMBER 1989

	Total Sales	Pct. of Total
SUBCOMPACT	83,675	12.25
COMPACT	119,099	17.44
INTERMEDIATE	179,906	26.35
STANDARD	88,258	12.93
SPECIALITY	2,675	0.39
IMPORT	209,188	30.64
TOTAL	682,801	100.00

IMPORTED CAR SALES, NOVEMBER

	Nov. 1989	Nov. 1988	11 Mos., 1989	11 Mo. 19
Acura	10,632	10,075	132,204	118,4
Alfa Romeo	102	232	2,746	4,1
Audi	1,409	1,355	19,393	21,6
BMW	5,140	6,642	60,418	66,1
Chevrolet	8,956	6,107	107,767	107,4
Chrysler	749	518	7,248	9,3
Daihatsu	1,522	1,054	13,903	10,6
Dodge	2,610	3,471	34,991	49,1
Eagle	1,064	2,313	22,191	17,0
Ford	4,120	5,164	65,225	63,4
Honda	21,269	20,221	231,234	232,1
Hyundai	12,008	17,732	172,713	242,9
Isuzu	552	1,599	15,719	22,9
Jaguar	1,699	1,925	17,088	18,6
Lexus	3,787	0	11,757	
Maserati*	20	25	260	7
Mazda	16,964	16,123	205,024	207,0
Mercedes-Benz	6,297	6,504	68,601	77,0
Mercury	1,221	779	8,467	14,4
Mitsubishi	6,339	4,492	71,355	64,4
Nissan	31,690	33,744	383,754	329,5
Peugeot	433	544	5,621	6,2
Plymouth	2,526	3,179	32,880	44,0
Pontiac	1,119	5,442	43,724	57,5
Porsche	797	1,015	8,817	14,5
Saab	1,505	3,088	30,132	35,7
Sterling	492	425	5,546	8,5
Subaru	8,544	11,583	128,466	143,1
Suzuki	397	223	5,703	2
Toyota	37,125	53,897	455,171	559,5
Volkswagen	9,127	9,109	125,139	133,7
Volvo	8,218	8,134	96,722	92,8
Yugo	755	2,002	9,948	30,0
TOTAL	209,188	238,721	2,599,927	2,803,6

*-Estimate

U.S. CAR SALES BY MARKETING UNITS, NOVEMBER

	Nov. 1989	Percent Share	Nov. 1988	Percent Share	11 Mos., 1989	Percent Share	11 Mos., 1988	Perc Sh
Alfa Romeo	102	0.01	232	0.03	2,746	0.03	4,117	0.
American Honda	65,672	9.62	63,897	8.08	721,294	7.83	694,720	7.
BMW	5,140	0.75	6,642	0.84	60,418	0.66	66,190	0.
Buick	37,641	5.51	44,909	5.68	506,247	5.49	533,480	5.
Cadillac	22,299	3.27	24,287	3.07	248,177	2.69	241,821	2.
Chevrolet	82,077	12.02	100,533	12.71	1,262,158	13.69	1,361,312	14.
Chrysler	11,887	1.74	18,061	2.28	183,340	1.99	257,259	2.
Daihatsu	1,522	0.22	1,054	0.13	13,903	0.15	10,637	0.
Dodge	31,381	4.60	37,452	4.74	420,663	4.56	466,523	4.
Eagle	3,881	0.57	6,175	0.78	66,090	0.72	60,629	0.
Ford	92,030	13.48	114,471	14.48	1,413,388	15.33	1,462,634	15.
Hyundai	12,008	1.76	17,732	2.24	172,713	1.87	242,930	2.
Isuzu	552	0.08	1,599	0.20	15,719	0.17	22,998	0.
Jaguar	1,699	0.25	1,925	0.24	17,088	0.19	18,687	0.
Lincoln	18,138	2.66	15,864	2.01	185,336	2.01	172,993	1.
Maserati	20	0.00	25	0.00	260	0.00	716	0.
Mazda	20,080	2.94	18,684	2.36	242,895	2.64	235,805	2.
Mercedes	6,297	0.92	6,504	0.82	68,601	0.74	77,080	0.
Mercury	27,902	4.09	31,757	4.02	448,374	4.86	464,233	4.
Mitsubishi	9,644	1.41	4,492	0.57	99,990	1.08	64,492	0.
Nissan	40,447	5.92	40,411	5.11	482,667	5.24	433,805	4.
Oldsmobile	35,432	5.19	52,425	6.63	566,243	6.14	663,264	6.
Peugeot	433	0.06	544	0.07	5,621	0.06	6,220	0.
Plymouth	23,405	3.43	24,401	3.09	289,035	3.14	315,366	3.
Pontiac	39,898	5.84	57,061	7.22	638,227	6.92	711,642	7.
Porsche	797	0.12	1,015	0.13	8,817	0.10	14,506	0.
Saab	1,505	0.22	3,088	0.39	30,132	0.33	35,790	0.
Sterling	492	0.07	425	0.05	5,546	0.06	8,518	0.
Subaru	8,544	1.25	11,583	1.46	128,466	1.39	143,197	1.
Suzuki	397	0.06	228	0.03	5,703	0.06	244	0.
Toyota	61,970	9.08	62,694	7.93	655,998	7.12	619,527	6.
Volvo	8,218	1.20	8,134	1.03	96,722	1.05	92,893	0.
VWoA	10,536	1.54	10,464	1.32	144,532	1.57	180,322	1.
Yugo	755	0.11	2,002	0.25	9,948	0.11	30,014	0.
TOTAL	682,801	100.00	790,770	100.00	9,217,057	100.00	9,714,564	100.
TOTAL GM	217,347	31.84	279,215	35.31	3,221,052	34.94	3,511,519	36.
TOTAL FORD	138,070	20.22	162,092	20.50	2,047,098	22.21	2,099,860	21.
TOTAL CHRYSLER	70,554	10.33	86,089	10.89	959,128	10.41	1,099,777	11.
TOTAL JAPANESE	208,828	30.58	204,642	25.88	2,366,635	25.68	2,225,425	22.
TOTAL EUROPEAN	35,994	5.27	41,000	5.18	450,431	4.89	535,053	5.
TOTAL KOREAN	12,008	1.76	17,732	2.24	172,713	1.87	242,930	2.

*—Estimate Big 3 totals include their captive imports. Percent share may contain error of one or two points due to rounding.
Sales charts compiled by Karen Dellkowski

PRODUCTION

Slow sales prompt more plant idlings

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

General Motors has extended the holiday vacation at eight U.S. assembly plants and one car line to keep production in line with sluggish sales.

The Reatta Craft Centre in Lansing, Mich., will be closed for the holidays starting Dec. 18. Linden, N.J.; Wilmington, Del.; Lordstown, Ohio; Janesville, Wis.; and Lansing, Mich., plants will be down from Dec. 22 until Jan. 8. Doraville, Ga.; Fairfax, Kan.; and the Grand Am line at Lansing, Mich., will close from Dec. 22 until Jan. 15.

Ford Motor Co. will close its Lorain, Ohio, truck plant today for one week due to slow sales. The company's car plants in Lorain, Ohio, and Dearborn, Mich., will resume operations today after being idle to adjust inventories.

Chrysler Motors' Jefferson Avenue plant in Detroit remains idle until Dec. 18 due to poor sales.

Output of 540,638 cars in November was the lowest for that month since the 418,948 built in November 1981.

Last month's total was 18.38 percent below the October total of 662,406 and 16.40 percent below the year-ago month's 646,682.

Automakers targeted 131,195 cars to be built last week, 1.38 percent more than the prior week but 21.66 percent below the year-ago week.

Last week's estimated production was split as follows: General Motors, 48.72 percent; Ford Motor Co., 16.51 percent; Chrysler Motors, 13.95 percent; Honda of America Manufacturing, 5.87 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.42 percent; Diamond-Star Motors, 3.22 percent; Toyota Motor Manufacturing U.S.A., 3.19 percent; New United Motor Manufacturing Inc., 2.90 percent; Nissan Motor Manufacturing Corp. U.S.A., 1.81 percent; and Subaru-Isuzu Automotive, 0.41 percent.

Truck assembly of 325,362 units in November rose 3.11 percent over October's 315,534 but slipped 9.30 percent from the year-ago month's 358,715.

Nov. numbers mixed in Canada

Canadian auto output in November was 105,940, 13.60 percent more than the October total of 93,259 and 35.12 percent more than the year-ago month's 78,403.

Truck production last month of 79,408 dipped 0.71 percent from October's 79,979 and fell 12.96 percent from the year-ago month's 91,236.

General Motors will idle both of its Oshawa, Ontario, car plants for one week and its Ste. Therese, Quebec, and Scarborough, Ontario, plants for two weeks beginning Jan. 2. due to slow sales.

GM will indefinitely lay off the second shift at its St. Catherines, Ontario, engine plant on Jan. 15, affecting about 350 workers.

U.S. CAR	Week Ended Dec. 9, 1989	Week Ended Dec. 10, 1988	Week Ended Dec. 2, 1989	Nov. Total	Jan. 1 to Dec. 9, 1989	Jan. 1 to Dec. 10, 1988
Horizon	0	1,620	0	3,807	31,606	76,359
Sundance	1,900	2,884	2,043	8,041	96,929	100,695
Reliant	0	2,537	2	0	0	86,141
Acclaim	2,200	978	2,663	11,821	122,056	5,154
Caravelle	0	0	0	0	0	9,265
Gran Fury	0	285	0	0	0	19,632
Total Plymouth	4,100	8,304	4,706	23,669	250,593	299,246
LeBaron K	0	0	0	0	0	7,912
LeBaron J	2,700	3,499	2,409	1,861	90,888	85,202
LeBaron GTS	0	309	0	0	2,946	9,006
N. Yorker C-Class	600	2,860	915	3,910	73,134	101,297
Fifth Avenue	700	943	686	3,728	25,472	31,663
Imperial	500	0	549	2,245	4,568	0
Total Chrysler	4,500	7,611	4,559	11,744	197,008	235,080
Omni	0	1,540	0	3,848	33,545	74,997
Daytona	1,800	2,357	1,891	1,527	70,616	75,666
Shadow	2,600	2,925	2,567	10,376	98,611	96,040
Aries	0	2,163	0	0	0	88,083
Dodge 600	0	0	0	0	0	8,549
Dynasty	2,800	3,540	2,650	12,189	126,586	107,854
Lancer	0	225	0	0	1,528	8,921
Spirit	2,500	1,329	2,251	9,268	105,419	5,524
Diplomat	0	309	0	0	0	18,424
Total Dodge	9,700	14,388	9,359	37,208	436,307	486,058
CHRYSLER MOTORS	18,300	30,303	18,624	72,621	883,906	1,020,384
Escort	3,095	9,610	2,934	31,042	329,784	395,786
Mustang	0	4,556	3,291	6,339	176,796	191,345
Tempo	3,030	3,885	2,389	11,396	140,745	175,219
Taurus	7,456	8,935	7,824	31,987	345,196	377,594
Thunderbird	0	2,939	0	8,880	129,937	105,961
Total Ford Div.	13,581	29,925	16,438	99,644	1,122,458	1,245,905
Topaz	1,350	1,615	1,322	4,645	63,979	67,520
Cougar	0	1,966	0	7,450	110,923	82,233
Sable	1,835	3,042	2,198	9,548	112,979	129,345
Total Mercury	3,185	6,623	3,520	21,643	287,881	279,098
Continental	1,103	1,567	1,706	6,079	62,146	51,963
Mark VII	539	783	566	2,016	20,352	27,052
Town Car	3,258	2,350	3,412	12,164	120,433	118,068
Total Lincoln	4,900	4,700	5,684	20,259	202,933	197,083
Total L-M Div.	8,085	11,323	9,204	41,902	490,814	476,181
FORD MOTOR CO.	21,666	41,248	25,642	131,546	1,613,272	1,722,086
Skyhawk	0	1,198	0	0	6,913	27,259
Skylark/Somerset	1,920	1,612	2,004	7,837	64,592	51,875
Century	2,033	3,442	2,011	8,595	118,941	135,595
Riviera	518	617	2,402	2,334	21,544	12,103
Electra	2,138	2,478	2,114	6,132	76,104	86,625
LeSabre (fwd)	4,120	2,886	3,945	13,923	148,647	128,684
LeSabre (rwd)	270	177	193	924	7,609	9,454
Reatta	202	264	199	615	6,153	9,251
Total Buick	11,201	12,674	12,948	40,380	450,503	460,846
Cimarron	0	0	0	0	0	3,693
Eldorado	517	724	545	2,572	28,257	33,761
Seville	833	536	673	2,888	22,620	22,284
Brougham (rwd)	1,320	1,081	1,245	3,643	52,426	34,421
DeVille (fwd)	3,775	4,722	3,873	14,899	174,972	155,281
Allante	75	75	75	300	3,037	2,089
Total Cadillac	6,520	7,138	6,411	24,302	281,314	251,529
Cavalier	6,262	7,407	7,042	30,235	343,092	339,893
Camaro	2,253	2,548	1,967	7,828	96,451	94,979
Celebrity	0	4,313	0	0	70,720	180,945
Corsica/Beretta	8,960	9,117	7,308	31,200	350,620	415,018
Caprice	2,730	3,565	2,706	8,936	157,592	196,626
Corvette	560	450	560	2,183	24,090	21,883
Total Chevrolet	20,765	27,400	19,583	80,380	1,042,565	1,249,344
Calais	1,680	3,241	1,550	6,627	84,438	113,038
Firenza	0	0	0	0	0	5,230
Cutlass Ciera	2,218	1,669	2,233	8,425	83,470	35,069
Cutlass Supreme	4,036	3,563	0	6,424	107,588	133,648
Toronado	380	316	317	1,199	9,388	14,610
88 (fwd)	2,478	3,340	2,630	12,329	136,081	150,153
88 (rwd)	143	234	141	593	7,424	10,556
98	1,425	2,012	1,486	5,901	68,784	71,380
Total Oldsmobile	12,362	14,375	8,357	41,498	497,173	533,684
Sunbird	3,858	3,478	3,028	14,675	144,290	106,671
Grand Am	4,800	6,058	4,935	9,598	217,262	232,915
Firebird	876	1,609	1,103	4,924	54,719	63,444
Grand Prix	0	0	0	6,303	117,261	132,543
Pontiac 6000	1,880	2,414	1,541	6,120	75,886	89,989
Bonneville	1,664	2,983	1,866	6,223	87,778	116,359
Safari/Parisienne	0	105	0	0	2,691	7,122
Fiero	0	0	0	0	0	13,297
Total Pontiac	13,080	16,647	12,275	47,843	699,887	762,340
GENERAL MOTORS	63,928	78,234	59,574	234,383	2,971,442	3,257,743
DIAMOND-STAR	4,221	0	3,495	12,617	87,215	0
HONDA	7,695	7,551	7,580	29,451	347,650	350,755
Civic	1,975	2,515	1,856	8,601	125,722	105,140
Accord	5,720	5,036	5,924	20,850	221,928	245,615
MAZDA†	4,485	5,779	4,492	17,861	196,358	153,977
NISSAN	2,380	2,283	2,374	9,354	111,155	105,704
NUMMI	3,800	2,099	2,877	14,094	185,493	122,368
Corolla	1,700	1,804	1,351	6,554	76,617	51,224
Geo Prizm/Nova	2,100	295	1,526	7,540	108,876	71,141
SUBARU-ISUZU*	540	0	540	2,173	5,237	0
TOYOTA	4,180	0	4,212	16,538	142,762	0
VOLKSWAGEN	0	0	0	0	0	35,997
Golf/GTI	0	0	0	0	0	30,444
Jetta	0	0	0	0	0	5,553
Total Cars, U.S.	131,195	167,477	129,410	540,638	6,544,492	6,769,014
Total Cars, Canada	24,870	17,866	24,171	105,940	962,754	991,628
U.S., Canada Cars	156,065	185,343	153,581	646,578	7,507,246	7,760,642
U.S., Canada Cars and Trucks	257,665	303,402	257,059	647,361	12,340,478	12,608,087

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes MX-6, 626, and Ford Probe.

CANADIAN CAR	Week Ended Dec. 9, 1989	Week Ended Dec. 10, 1988	Week Ended Dec. 2, 1989	Nov. Total	Jan. 1 to Dec. 9, 1989	Jan. 1 to Dec. 10, 1988
Premier	0	1,279	0	2,040	30,848	57,814
CHRYSLER MOTORS	0	1,279	0	2,040	30,848	57,814
Tempo	3,360	3,349	2,815	12,387	124,932	163,701
Topaz	1,440	1,784	1,215	5,274	55,755	86,281
Crown Victoria	1,932	2,930	2,469	11,193	112,713	124,022
Grand Marquis	3,588	2,931	2,775	11,977	123,548	125,658
FORD MOTOR CO.	10,320	10,994	9,274	40,831	416,948	479,662
Celebrity	510	196	1,128	4,975	25,541	19,733
Cutlass Ciera	3,050	3,711	2,375	9,860	116,516	212,170
Lumina	7,600	0	7,048	28,084	179,966	0
Pontiac 6000	0	0	0	0	0	29,690
Regal	790	0	1,073	5,149	71,984	139,613
GENERAL MOTORS	11,950	3,907	11,624	48,068	394,007	401,206
HONDA	1,320	1,506	1,932	9,556	81,391	46,745
HYUNDAI*	300	0	300	1,320	13,880	0
TOYOTA	800	0	861	3,369	17,942	0
VOLVO	180	180	180	756	7,738	6,201
Total Cars, Canada	24,870	17,866	24,171	105,940	962,754	991,628

U.S. TRUCK	Week Ended Dec. 9, 1989	Week Ended Dec. 10, 1988	Week Ended Dec. 2, 1989	Nov. Total	Jan. 1 to Dec. 9, 1989	Jan. 1 to Dec. 10, 1988
Caravan	2,400	2,999	2,566	9,365	102,703	89,043
Dakota	2,100	2,881	2,258	9,193	89,982	104,221
Caravan C/V	100	203	123	420	6,253	11,573
Ram pickups	1,700	2,872	1,842	7,538	87,224	82,726
Total Dodge	6,300	8,955	6,789	26,516	286,162	287,563
Cherokee	4,300	4,527	0	13,480	198,555	177,991
Comanche	350	920	0	1,162	24,730	41,897
Grand Wagoneer	300	350	0	520	9,272	13,509
Wagoneer	50	240	0	501	7,310	10,336
Total Jeep	5,000	6,037	0	15,663	239,867	243,733
Voyager	2,300	2,210	2,459	8,655	96,080	82,410
Town & Country	25	0	35	127	3,178	0
Total C-P Div.	2,325	2,210	2,494	8,782	99,258	82,410
CHRYSLER MOTORS	13,625	16,902	9,283	50,961	625,287	610,160
Aerostar	4,040	4,955	4,160	16,786	209,745	197,938
Bronco	1,453	1,775	1,334	4,850	67,513	55,642
Bronco II	2,417	2,839	2,821	11,194	113,410	116,338
Econoline	4,117	5,586	3,942	11,969	203,455	232,105
Mediums/Heavies	1,285	1,397	1,318	3,864	54,493	62,035
Light trucks	11,591	11,691	11,389	39,935	496,187	473,044
Ranger	6,875	7,644	6,401	24,012	296,946	310,631
Total Ford Div.	31,778	35,887	31,365	112,610	1,439,749	1,447,733
FORD MOTOR CO.	31,778	35,887	31,365	112,610	1,439,749	1,447,733
Astro	3,064	3,296	2,885	11,798	152,966	167,773
Blazer	538	639	532	6,737	24,818	25,162
Lumina APV*	1,750	0	1,197	5,719	17,362	0
Mediums/Heavies	352	842	461	1,281	8,068	19,084
P-Model	796	990	0	2,010	28,010	38,654
Pickups	8,628	10,378	9,003	29,714	381,174	354,307
S-10	5,537	6,671	6,549	17,969	229,468	291,102
S-10 Blazer	3,439	3,882	3,255	5,618	164,719	164,080
Sportsvan/Van	1,759	0	1,898	7,132	90,439	86,204
Suburban	1,477	1,944	1,507	3,017	67,536	67,134
Total Chevrolet	27,340	28,642	27,197	90,995	1,154,444	1,213,500
Jimmy	164	178	158	690	7,920	7,366
Mediums/Heavies	598	617	459	1,159	13,127	33,600
P-Model	84	70	0	261	3,746	4,838
Pickups	3,183	3,136	2,978	10,662	117,306	108,974
S-15	1,220	1,396	217	4,718	55,613	67,012
S-15 Jimmy	871	1,073	1,086	4,110	48,265	46,099
Safari	996	856	980	4,595	42,688	43,139
Suburban	630	507	552	3,276	30,596	30,081
Vandura/Rally Vans	703	0	662	2,831	28,701	30,617
Total GMC	8,449	7,833	7,092	32,302	347,962	371,728
Olds Silhouette*	380	0	310	1,387	3,503	0
Pontiac Trans Sport*	680	0	540	2,466	6,501	0
GENERAL MOTORS	36,829	36,475	35,139	127,150	1,507,337	1,585,228
NAVISTAR	1,500	2,034	1,511	5,126	74,099	82,212
NISSAN	3,060	2,677	3,060	12,164	117,307	90,905
SUBARU-ISUZU*	540	0	540	2,171	5,235	0
AM GENERAL*	450	450	450	1,980	21,690	21,780
MISCELLANEOUS*	3,000	2,300	3,000	13,200	138,600	111,320
Total Trucks, U.S.	90,782	96,725	84,368	325,362	3,929,304	3,948,606

CANADIAN TRUCK	Week Ended Dec. 9, 1989	Week Ended Dec. 10, 1988	Week Ended Dec. 2, 1989	Nov. Total	Jan. 1 to Dec. 9, 1989	Jan. 1 to Dec. 10, 1988
Caravan	3,378	3,403	3,440	14,007	140,972	137,003
Caravan C/V	192	212	118	416	9,422	11,489
Ram Wagon	500	659	505	1,803	25,121	25,654
Ram Van	1,630	1,769	1,629	5,443	67,405	70,277
Total Dodge	5,700	6,043	5,692	21,669	242,920	244,423
Voyager	2,574	2,589	2,614	10,465	119,376	121,427
Total Plymouth	2,574	2,589	2,614	10,465	119,376	121,427
Wrangler	1,500	1,280	0	2,990	68,003	50,087
T. al Jeep	1,500	1,280	0	2,990	68,003	50,087
CHRYSLER MOTORS	9,774	9,912	8,306	35,124	430,299	415,937
FORD MTR. (lt. trks.)	3,648	3,518	3,138	13,394	154,517	156,036
Light trucks	3,683	3,953	3,819	15,611	156,308	150,564
Vans	1,471	1,529	1,663	6,989	59,077	58,650
Total Chevrolet	5,154	5,582	5,482	22,600	215,385	209,214
Light trucks	1,563	1,491	1,671	5,884	68,253	72,996
Vans	479	459	311	1,623	25,115	28,482
Total GMC	2,042	1,950	1,982	7,507	93,368	101,478
GENERAL MOTORS	7,196	7,532	7,464	30,107	308,753	310,692
NAVISTAR	200	272	202	783	10,359	10,744
Total Trks., Canada	20,818	21,334	19,110	79,408	903,928	883,409
U.S., Canada Trks.	111,600	118,059	103,478	404,770	4,833,232	4,842,445

*—Estimated
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mitsubishi-Benz, etc.

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Automotive News

December 18, 1989

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Buick City: From bottom to No. 1

Japan's ideas help GM to do it right

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

FLINT, Mich. — It was just after the start of the 1987 model year when General Motors and Buick brass gathered to ponder the Buick LeSabre, produced at the revamped Buick City complex.

GM engineers, Buick marketing executives and plant officials knew they had trouble in Buick City, and the debate grew heated.

In this renovated showcase plant, the LeSabre came off the line with a bad paint job. Fit and finish were poor. Worse, the windows wouldn't stay up. Dealers had received a pile of complaints about windows falling off the track time and again.

So bad were things that GM and Buick officials decided at the meeting that they couldn't ship the cars.

AUTOMOTIVE NEWS/JOE WILSSENS

Quality at the plant has gone from unspeakable to laudable.

That unhappy gathering marked the turning point for Buick City. Within three years, the LeSabre became the top-ranked domestic car, and Buick City was ranked among the world's two best plants for quality.

Those windows "became a real rallying point," says George Guernsey, Buick's product satisfaction manager, who was at that meeting. "It was a perfect problem to demonstrate how ridiculous this

see BUICK CITY, page 24

Saab and GM both benefit from 50-50 deal

By Michelle Krebs and Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — General Motors shocked the automotive world with the announcement Friday of its joint venture that takes over the car operations of Saab-Scania AB.

The deal offers immediate benefits for both GM, which needs more manufacturing capacity in Europe, and Saab's car operation, which needs more money.

Just six weeks after losing out to Ford Motor Co.'s $2.5 billion bid for Jaguar plc, GM picked up engine technology and use of one of the world's best new assembly plants for just $600 million.

GM President Robert Stempel told Automotive News that production of GM's European cars could be moved into Saab plants as early as next year.

GM gains access to Saab's state-of-the-art four-cylinder engine for its European-built cars. The deal also gives GM entree to the upper car segment that it also requires in Europe.

GM says the 50-50 joint venture with Saab-Scania will have no effect on Saab's U.S. operations.

Saab-Scania benefits from a much-needed cash infusion. GM will pay Saab-Scania $600 million for 50 percent of the joint-venture company. A Saab statement issued Friday said Saab-Scania and GM will each add $100 million in capital to the new joint-venture company, Saab Automobile AB.

> "It's a good deal for Saab and a fair deal for GM."
>
> **Ronald Glantz**
> Montgomery Securities

The venture also provides Saab with access to GM's vast resources, technology, components and suppliers.

Ronald Glantz, auto analyst for Montgomery Securities in San Francisco, said, "It's a good deal for Saab and a fair deal for GM. . . . Saab can return to profitability as a result of the deal. And GM will pay a small price for Saab's good name and distribution system.

"It's likely that some GM components will replace Saab's purchase of components outside. I also

see GM-SAAB, page 47

Cars blamed for bringing U.S. to edge of recession

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Retail incentive excesses and easy credit by the auto industry have borrowed sales from the future and could lead to a recession in the United States in 1990, Federal Reserve Board governor Martha Seger says.

Seger predicts that the U.S. economy has a 75 percent chance of entering a recession.

Domestic auto industry sales for cars and trucks are likely to drop 10 percent from 1989 levels, Seger said, painting a dismal picture for the first year of the new decade.

Car and truck sales in 1989 are likely to hit 14.8 million units. A 10 percent drop would put 1990 sales near 13.3 million units, the lowest total since 12.3 million in 1983.

Economists of the Big 3 predict 1990 will start in difficulty but grow in the second half. They say a recession is unlikely unless the Fed refuses to loosen interest rates. In fact, some Big 3 economists believe sales could hit 15.0 million next year. Ford's economist said the downside is just 14.5 million. (See accompanying story, Page 46.)

"I think we're very vulnerable and very much at risk. I have a growth forecast for next year that

RANDY SANTOS

Martha Seger says there is a 75 percent chance of recession in 1990.

is just barely anything, just enough so you can write it in black ink," Seger said.

"Write off a few bucks and you'd be in red ink, showing a decline."

Seger, a former Michigan banking commissioner, said that only several weeks ago she predicted a 50 percent chance of recession. But the slump in real estate and "terrible" auto sales numbers in October and November convinced her "the odds have passed the 50/50 mark."

"I keep looking for things that are strong, sectors that are strong, and it's difficult to find them. I keep reading the numbers for consumer purchases and they're not too strong either," she said.

Seger said the economy will be the most vulnerable in the first six months of the year, and the gross national product may even decline because of the tightening measures

see FORECAST, page 46

Chrysler offers first rebate on minivans

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors last week offered a $1,000 consumer incentive on its previously rebate-free minivans and inaugurated a "guaranteed rebate" program for several model lines.

The innovative rebate guarantee assures consumers that Chrysler will pay the difference to buyers if rebates increase on selected 1990 models through Sept. 30, 1990. The program covers eligible vehicles delivered through Jan. 31.

The moves are a bid to boost showroom traffic and protect minivan production schedules in the first quarter of 1990.

The industry will keep a watchful eye on the Chrysler program. General Motors last week said it closely monitors competitive programs.

"If we have to make adjustments to be competitive, we will," said Terrance Sullivan, GM manager for sales and financial reporting.

This is the first time Chrysler has offered rebates on its minivans since the vehicles, which still account for more than half of all minivan sales, were introduced in the 1984 model year.

The minivan rebate will expire Jan. 31, and the company said it does not expect to repeat the incentive this model year.

see REBATES, page 48

The LS400, above, is selling three times better than the ES250.

Lexus lowers sales target

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Toyota Motor Corp. will reduce its sales target for Lexus in the United States next year by 20 percent. The company now hopes to sell 60,000 units instead of 75,000.

A Toyota spokesman cited the "incredibly competitive" U.S. market as one reason for the lowered expectation.

In addition, the company expected to sell more of the ES250. But instead of the anticipated 50-50 split, the flagship LS400 has taken 75 percent of more than 8,500 sales so far.

Both models went on sale in the United States in September. Advertising for the ES250 has recently been increased.

Nissan Motor Co. refuses to disclose sales targets for its luxury Infiniti line, but production has been listed at 2,500 a month.

Toyota said the lower sales target for Lexus was a marketing decision. It had no connection with the recent recall of 8,000 LS400 units for cruise control and brake light repairs.

NEWSPAPER

INSIDE:

Prices of 594 cars and minivans:
Complete Manufacturers Suggested Retail Price guide for imports and domestics, cars and minivans, with major options. Inside this week. Pages 29-32.

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Car supply jumps to high 83 days

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Extended Big 3 plant closings and a full program of incentives failed to shrink bulging domestic and import car stocks at the beginning of December.

U.S. and import carmakers and dealers began the month with an inflated 83-day supply of new cars, up from 74 days on Nov. 1.

The domestic-car supply was the highest ever for Dec. 1, and the import supply was the highest for that date since Automotive News began tracking import inventories in 1982.

The eight domestic carmakers and their dealers began the month with an 88-day supply, up from 77 on Nov. 1.

Importers started the month with a swollen 74-day supply, up from last month's 68 days.

Inventory numbers were well above the Dec. 1 average of 73 days for the last five years.

Sales were slow throughout October and November after heavily discounted model-year cleanup sales in August and September. The daily sales rate is a prime factor in the days-supply calculation.

"It could be worrisome if the market continues to run at a 6-million rate," said Jack Kirnan, auto analyst at Kidder Peabody in New York.

But Kirnan said he thinks that gradually improving sales rates and cautious production schedules for the Big 3 will bring days-supply numbers into line during the first quarter.

November's U.S.-built and imported car sales dropped 13.65 percent from November 1988, increasing the days' supply, which is based on production, inventories and the current sales rate.

General Motors started the month with 872,693 unsold cars, 60,050 more than on Nov. 1. Its days' supply climbed from 88 to 100 days. Cadillac was the only GM division to reduce stocks in November; it had a 71-day supply.

On Dec. 1, combined stocks of import and U.S.-built cars totaled 2,280,061. That was up 146,675 units, or 6.88 percent, from Nov. 1, when there was a 74-day supply.

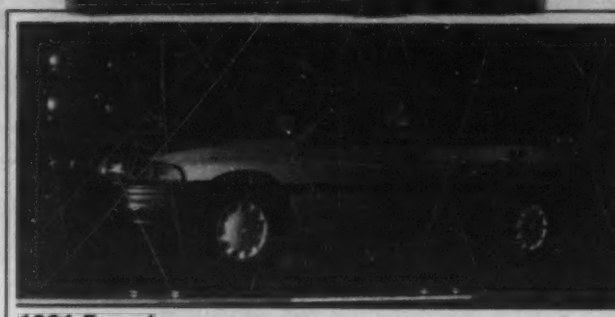
Last year, dealers and manufacturers started December with about 41,000 fewer cars in stock, equal to a 71-day supply.

Dealers surveyed by Automotive News said they were hunkering down for a rough first quarter by restricting orders and keeping inventories under 60 days.

"We're only ordering to replace some key types of vehicles," said Tony Cueva, general manager of Fairfax (Va.) Chrysler-Plymouth. "Watching the mix should help us keep expenses down. . . . We'd like to keep our inventory under 60 days."

Reducing inventories to 60 days is a goal for Peter Griffin, owner of Buick, Ford and Lexus stores in Greenwich, Conn. "We're being

see INVENTORIES, page 48



1991 Escort

Ford Motor Co. took the wraps off its redesigned 1991 Escort last week at the automaker's annual Christmas party in Detroit. The car was co-engineered with Mazda and is based on the Japanese automaker's 323 model. Two-door and wagon Escorts are planned when the car goes on sale this spring.

Domestic sales plunge 32% in early December

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Early-December sales of U.S.-built cars and light trucks sank 32.19 percent below last year's weak Dec. 1-10 total.

Car sales for the Dec. 1-10 period were the lowest in 30 years.

And it was the seventh consecutive 10-day period of sales losses since the start of the fourth quarter and the 1990 model year.

The hope for an early December recovery never materialized for seven of the eight U.S. automakers. Toyota was the only one to report a car sales increase. The others had declines of 17 to 54 percent.

In early December, the eight makers delivered 180,708 cars and light trucks compared to 266,492 last year. This year's period had one less selling day than last year's, so the daily rate was down 23.71 percent.

Nissan, which reported major sales gains in the first six periods of the quarter, took the biggest hit in early December. Deliveries of its U.S.-built Sentras and light trucks were off 55.58 percent from last year.

The Big 3 shared similar losses. GM's combined car and light-truck sales fell 32.36 percent; Chrysler Motors' combined sales plummeted 33.41 percent; and Ford Motor Co. sold 32.84 percent fewer vehicles in early December.

The U.S. carmakers sold 107,259 cars in early December, a plunge of 35.93 percent. It was the lowest total for a 10-day period since early January's 106,980.

Each of the Big 3 sold fewer cars this year. Chrysler Motors suffered the biggest decline; its car sales nosedived 40.55 percent.

Ford retailed 37.93 percent fewer cars, and GM's car sales slumped 36.36 percent below the year-ago period. Lincoln was the only Big 3 make to report an increase during the period.

Except for Toyota, transplant car sales took a significant turn for the worse in the first 10 days of December. Nissan's sales of U.S.-built Sentras plummeted 53.61 percent. Even Honda delivered 40.29 percent fewer cars in the period. Mazda sold 17.67 percent fewer MX-6s this year than it did in 1988.

On the other hand, Toyota tripled its sales of U.S.-built Corollas and Camrys. At this time last year, Toyota was still in the startup phase of Camry output at its plant in Georgetown, Ky.

Newcomer Mitsubishi delivered 648 Eclipses in the first 10 days of December.

In early December, the four U.S. light-truck makers sold 25.85 percent fewer vehicles than they did a year ago. Ford's light-truck sales were off 16.10 percent; GM's fell 24.35 percent; Chrysler's dropped 25.67 percent; and Nissan's dropped 57.08 percent.

DOMESTIC SALES

CARS

	Dec. 1-10, 1989	Dec 1-10, 1988
Eagle	561	933
Chrysler	2,669	5,764
Dodge	6,558	11,608
Plymouth	4,513	5,751
Chrysler Motors	14,301	24,056
Ford	20,663	34,934
Lincoln	4,221	4,181
Mercury	6,300	11,122
Ford Motor Co.	31,184	50,237
Buick	7,948	11,782
Cadillac	3,739	5,953
Chevrolet	22,015	33,290
Oldsmobile	7,493	14,084
Pontiac	9,761	15,043
General Motors	51,006	80,152
Honda	5,588	9,358
Mazda	480	583
Mitsubishi	648	—
Nissan	912	1,966
Toyota	3,140	1,086
U.S. Car Total	**107,259**	**167,438**

TRUCKS

Chrysler	44	—
Dodge	9,177	11,073
Jeep	3,965	6,566
Plymouth	3,297	4,536
Chrysler Motors	16,483	22,175
Ford Motor Co.	25,520	34,197
Chevrolet	23,836	32,324
GMC	5,816	7,786
Oldsmobile	240	—
Pontiac	450	—
General Motors	30,342	40,110
Nissan	1,104	2,572
U.S. Truck Total	**73,449**	**99,054**
U.S. Car-Truck Total	**180,708**	**266,492**

Correction

A Dec. 11 item should have said the Mazda MPV ranked ahead of all other minivans and multi-purpose vehicles after its first year on the market in the most recent J.D. Power and Associates Compact Truck Initial Quality Survey, rather than being ranked against compact sport utilities.

Chevy repairs Storm seat after finger injuries

By Timothy J. Dunne and Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTERS

Chevrolet quietly recalled its newly introduced Geo Storm model last month after a faulty seat-back adjuster smashed or cut the fingers of two dealership workers and one owner.

Worker injuries occurred as vehicles were being prepared for delivery.

The Storm, a rebadged 1990 Isuzu Impulse, holds much of Geo's hope for becoming a significant seller. Chevy officials hurried to correct the problem of Geo's flagship sports coupe.

"There was a problem with the right seat-back adjuster," said Ralph Kramer, Chevrolet director of public relations. "When you fold the seat down, a couple of metal pieces come together and you can pinch your finger when the seat is put back upright."

Two General Motors engineers claimed the dealership workers suffered severed fingers, but Chevrolet General Manager Jim Perkins said fingers were "smashed," not severed.

Between 600 and 800 vehicles were on the street in November before being recalled, mostly in California where the car was first offered.

Owners were contacted by phone, then sent a letter and warning label to attach to the seatback. Once at the dealership, the cars were outfitted with a protective plastic sleeve to cover the exposed metal parts of the seat-back adjuster.

Chevrolet froze sales of the Storm for 10 days at the beginning of November until the cars received their protective shield. Chevrolet sent the plastic guards to dealers on Nov. 2.

"It was kind of an unprecedented thing for us," said Kramer. "We got on the phone and let people know right away — sort of nipped it in the bud."

The Storm recall came at a precarious time for General Motors. Fourth-quarter market share has dropped to less than 32 percent. The company reported a 28 percent sales decline in early December

see FINGERS, page 48

Japan's suppliers, booming output blamed for rush of vehicle recalls

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — A spate of recent recalls has aroused government concern about shoddy production, but the blame seems to lie with component suppliers.

The Japan Automobile Manufacturers Association said the Ministry of Transport's warning to automakers after the Toyota Lexus recall and other recalls was a reminder to inspect components carefully before assembly.

An association spokesman said there have been few problem cases, but he said the ministry may be concerned about lax production at a time strong market demand.

High demand has meant higher sales and higher profits for most suppliers. But some are simply "too busy," according to an analyst who is researching the supplier networks. They have been faced with an onslaught of totally new models which, in many cases, involve high costs for development.

The suppliers also are facing a labor shortage, which has led to heavy overtime to meet production deadlines. Stanley Electric, a major supplier of lighting units for Honda, reported its first operating loss, 1.04 billion yen ($7.4 million) for the first half of the fiscal ye ended Sept. 30.

Much of the problem was attr buted to heavy productio pressure, particularly for the ne Accord, which was introduced s multaneously with four versions Japan and the United States September. Stanley reportedly d veloped 18 parts for the Accor and costs exceeded estimates.

"The rush to production can't ignored" as a possible cause for r cent recalls, according to analy Steve Usher of Kleinwort Benso But he said the Lexus recall, well as Daihatsu's problems wi the new Applause and the larg Charade, reflect mistakes as co panies move into new and larg segments of the market.

Haruo Shimada, professor of e onomics at Keio University, did n comment on the reason for the r calls as such. But he said the hig pace of production to meet i creasing demand during the pa year has put a lot of pressure manufacturers and particularly suppliers.

They are facing increased d mands as well as heavy overtim he said. As a result, many supplie are spread thin. "People are tired Shimada added.

10,587 Mazda MPVs have been recalled.

Mazda to fix '89 MPV seat belts

One week after Toyota announced its Lexus LS400 recall, Mazda Motor of America has issued a recall order for one of its popular models.

Mazda said it will recall 10,587 1989 model MPV vans to replace some seat belt brackets. The order covers only the rear-most seat in seven-passenger models.

According to a Maz spokeswoman, NHTSA told the company the brackets had been damaged in a during testing. NHTSA concluded that the brackets could crack and possibly fail in an accident.

The test results prompted t voluntary recall. No injuries deaths have resulted, the spoke woman said.

In August, NHTSA opened preliminary investigation into po sible seat belt-related defects in 1984 to 1989 Mazda models. T agency had received 11 complain of seatbelt malfunctions in 10 acc dents that allegedly caused 15 i juries. That investigation is conti uing.

— Arthur Fi

Japan hopes billions solve trade imbalance

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Japanese automakers are rushing ahead with import plans to help solve the industry's overseas trade imbalance.

It would mean more than doubling Japan's imported-car market by 1992 if all plans are put into effect. Many will come from Japanese transplants in the United States.

The process started in July, when the Ministry of International Trade and Industry held meetings with individual companies to discuss ways of easing trade frictions.

The companies were not asked to increase imports, according to Takao Suzuki, the head of MITI's auto division. But "if they wanted to increase imports, they were encouraged" to do so, he said.

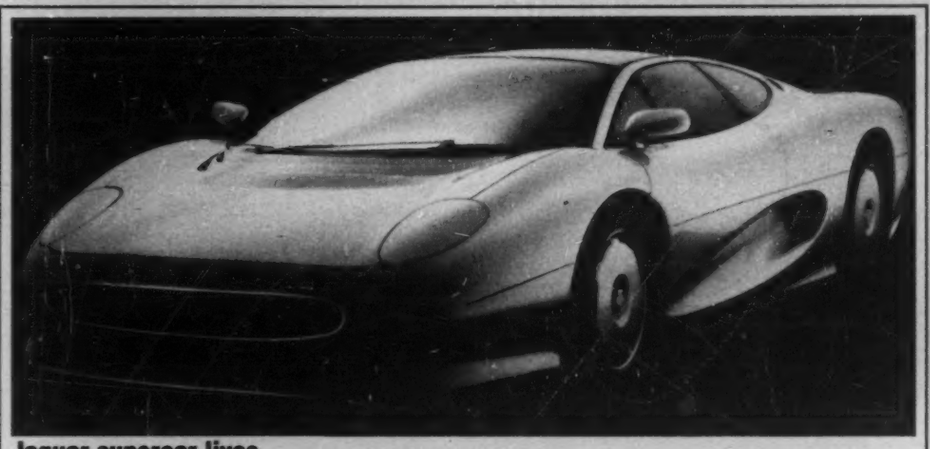
Five companies — Toyota Motor Corp., Nissan Motor Co., Honda Motor Co., Mazda Motor Corp. and Isuzu Motors — have so far announced how much they want to expand imports. The others "are thinking about it," Suzuki said.

The hurry-up on imports is part of an overall MITI effort to double imports by the end of 1992 with the help of the country's largest exporters.

The campaign has aroused some grumbling in other industries such as electronics, which is not as well placed as automakers with overseas facilities.

But with eight of the nine auto companies already set up in North America, automakers can simply dip into U.S. production to come up with what have been called "re-

see IMPORTS, page 47



Jaguar supercar lives

The 200 mph Jaguar XJ220 supercar will go into limited production in early 1992. The car, which will carry a $464,000 price tag, will not be exported to the United States, said JaguarSport Managing Director Tom Walkinshaw. JaguarSport will manufacture the car at a new factory near Banbury, England, with a production limit of 350 cars, 220 minimum. The car has changed considerably from the four-wheel drive V-12 concept shown in 1988. It is 770 pounds lighter and 10 inches shorter. It will have rear-drive and a 500-HP twin turbo V-6. Jaguar Chairman Sir John Egan denied the car's resurrection had anything to do with the recent Ford purchase of Jaguar, though only two months ago he indicated the project was all but dead.

An MN12-derived Mustang is being called "just a toy".

Next Mustang may use awd Tempo base

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

RANCHO MIRAGE, Calif. — The next-generation Ford Mustang may be built on an all-wheel-drive derivative of the 1993 Tempo/Topaz platform or an improved version of the present rear-wheel-drive Mustang platform.

But the future of the much-loved Mustang nameplate — which has caused a controversy in Ford's product planning department in recent years — is still unclear. Product planners and executives say Mustang's destiny may come into clearer focus when Congress decides fuel economy and emissions standards.

Kenneth R. Dabrowski, program manager for small-car and specialty-vehicle programs, said Ford is considering basing the next Mustang on the same platform as its next Tempo/Topaz. The 1993 Tempo/Topaz will use the CDW27 platform, the so called "World Car" platform, that will be shared with Ford of Europe's Sierra successor.

"The trouble is, the CDW27 is a front-wheel-drive platform," said Dabrowski during the media preview of the Ford Escort and Mercury Tracer.

"You'd have to put all-wheel-drive on it to take the large engine. That's certainly one of the alternatives."

Ford is also looking at keeping the current rear-wheel-drive platform and improving it, according to Dabrowski.

"It's old but it's good," he said. "You don't necessarily have to change something that's pretty good. You just keep on refining it until it's better."

The MN12 platform, which holds the Thunderbird and Cougar, is too large for the next Mustang, according to Dabrowski. An MN12-derived Mustang has been spotted around Ford World Headquarters in Dearborn, Mich. Max L. Jurosek, vice president of car product development, said it has been testing well, but he described the vehicle as "just a toy" that Ford is studying.

Tough corporate average fuel economy laws could prevent Ford from offering the popular V-8 engine in the Mustang. About half of all Mustangs are sold with Ford's 5-liter V-8 engine. It is standard in the Mustang GT.

"Without the GT, you wouldn't have a Mustang," said Dabrowski.

Whether Ford will have a Mustang in the 1990s is a question Da-

see MUSTANG, page 47

Ford plans to cut $1 billion from production costs

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

RANCHO MIRAGE, Calif. — Ford Motor Co. plans to cut $1 billion dollars from the design and manufacturing costs of its passenger cars over the next three to four years. The effort is aimed at ending a series of product cost overruns that have reduced the company's profit on individual car lines.

Max L. Jurosek, Ford vice president of car product development, said the cost reduction effort will be achieved by reducing the costs of individual parts on existing car lines and keeping tighter cost controls on the development of new-car programs.

"We had to spend a lot of money to redevelop our products; when you do that quickly, people do things without giving proper weighting to the most efficient way to do it," said Jurosek.

"Our chore is to find the most efficient way and still have those product improvements."

Another chore will be completing the cost reduction program without sacrificing quality or competitiveness. No major product programs will be slashed as part of the cost reduction drive, according to Ford officials.

Ford began the cost reduction program in mid-1988 and has achieved 50 percent of the $1 billion goal. Jurosek said the program started shortly before Ford management found that the 1989 Thunderbird/Cougar (MN12) program was over budget by $500 per car. The cost reduction measures are already being applied to the new Escort/Tracer, which are presently over their cost-per-car targets but below investment targets. Both GM and Chrysler have been working on their own cost cutting plans in recent years. Chrysler announced in July that it wanted to trim $1 billion out of its overall costs by the end of 1990. GM announced a cost reduction plan in February 1987 to cut $10 billion out of its overall costs by 1990. It raised its target to $13 billion in 1988.

Much of the cost reduction effort at Ford has focused on its relationship with suppliers. Jurosek said Ford is having six- to eight-hour "sit down" sessions with its suppliers to find ways to redesign, re-

see FORD, page 45

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14 automotive experts join faculty for World Congress

DETROIT — Fourteen automotive experts in fields ranging from manufacturing to consumer trends to dealer service will address the Jan. 8-9 afternoon sessions of the Automotive News World Congress.

The 14th Automotive News World Congress, staged in conjunction with the North American International Auto Show, will be held Sunday through Wednesday, Jan. 7-10, at the Westin Hotel here and is expected to draw industry leaders from around the world.

Scheduled to speak Jan. 8 are:

● **Nelson B. Gonzalez,** manager of the Buick-Oldsmobile-Cadillac Group's Buick City assembly plant in Flint, Mich., since January 1989.

The Buick City plant makes the LeSabre, which was hailed last summer in J.D. Power and Associates' Initial Quality survey as the best-built car in North America and second best among all cars sold in the United States.

Gonzalez joined General Motors in 1957 at GM do Brasil and moved to Buick's headquarters in Flint in 1961.

From 1976 to 1985 he managed the axle, spring, forge and transmission plants in Flint, and in 1985 he became manager of the Buick manufacturing facility in Willow Springs, Ill.

● **Susan Shackson,** director of public policy development and government relations at Ford Motor Co. since 1987.

Shackson's job is anticipating and identifying government public policies that will affect Ford operations and decision making. Advising top brass at Ford, she develops strategies and objectives to meet the demands of those issues.

Before joining Ford in 1973, Shackson was special assistant to the assistant secretary of domestic and international business for the Department of Commerce. She coordinated and participated in international trade negotiations and missions.

● **Laurel Cutler,** vice president of consumer affairs for Chrysler Motors since 1988.

Cutler reports to Chrysler Motors Chairman Bennett Bidwell on consumer trends and perceptions of the company. She analyzes customer satisfaction data and outlines the framework for strengthening the corporate image.

● **Takeshi Tanuma,** president and chief executive officer of Nissan Research and Development since 1988.

Tanuma joined Nissan in 1958. Prior to his present post, he was general manager of the corporate planning office of Nissan Motor Co. in Tokyo. He planned technology development strategies for domestic and overseas markets.

In the late 1960s, Tanuma was part of a Nissan team that developed technology to meet U.S. and Japanese emissions standards. He received the Japan Society of Mechanical Engineers Medal in 1979 for his "NAPS-Z" emissions control system.

● **John H. Hammond,** managing partner of J.D. Power and Associates automotive consulting firm in Agoura Hills, Calif.

Hammond provides market analysis and industry forecasting for the car and light-duty truck markets. He advises corporate strategists and financial and production planners and has appeared before congressional committees to assess the U.S. automobile industry and federal proposals that might affect it.

Hammond is a former vice president of Data Resources Inc., has served as a staff member of the Bureau of Economic Analysis with focus on the auto industry and was a financial investment analyst with the Securities Industry As-

see CONGRESS, page 45

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Mid States Auto Auction, 25784 Western Ave., PO Box 3237, South Bend, IN 46619. 219-289-7767. Fax #219-288-2731. Serving Dealers, Banks, Fleet & Lease Weds., 6 PM.

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Aycock Auto Auction, I95 & S. Bagley Rd., Kenly, NC 27542. Sale every Monday 11 AM. We service fleet & lease. Reconditioned facility. Kenneth Aycock, 919-284-4052.

Statesville Auto Auction, I77 & Hwy. 21, Exit 54, Statesville, N.C., (704) 876-1111 — Every Tuesday, 10:00 A.M. Body Shop-Recon & Transportation available.

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AUCTION DATES

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Dec. 20 — A.D.E. of Birmingham, Moody, Ala., and Butler Auto Auction, Gibsonia, Pa.

Dec. 21 — Northway Exchange, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Big Sky Auto Auction, Billings, Mont.; Omaha Auto Auction, Omaha, Neb.; Riverside Auto Auction, Riverside, Calif.; and Ark-La-Tex Auto Auction, Shreveport, La.

Ford Motor Co.

Dec. 19 — A.D.E. of Birmington, Moody, Ala.; Ohio Auto Auction, Grove City, Ohio; Bay Cities Auto Auction, Hayward, Calif.; and South Seattle Auto Auction, Kent, Wash.

Dec. 20 — Aptco Auto Auction, Taylor, Mich.; Fort Worth Auto Auction, Fort Worth, Texas; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Greater Tampa Auto Auction, Tampa, Fla.

Dec. 21 — Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Dec. 27 — Baltimore-Washington Auto Exchange, Baltimore

Dec. 28 — Greensboro Auto Auction, Greensboro, N.C.

General Motors

Dec. 19 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and Fresno Auto Dealers Auction, Fresno, Calif.

Dec. 20 — Atlanta Auto Auction, Atlanta; Puget Auto Auction, Auburn, Wash.; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Omaha Auto Auction, Omaha, Neb.

Dec. 21 — Arena Auto Auctio Chicago; Columbus Fair Au Auction, Columbus; and St. Lou Auto Auction, Bridgeton, Mo.

Jan. 2 — Southern Auto Auctio East Windsor, Conn.; Dallas Au Auction, Grand Prairie, Texas; a Florida Auto Auction of Orland Ocoee, Fla.

Jan. 3 — Atlanta Auto Auctio Atlanta; Puget Auto Auction, A burn, Wash.; Clanton's Auto Au tion, Darlington, S.C.; Southe California Auto Auction, Fontar Calif.; and Omaha Auto Auctio Omaha, Neb.

Jan. 4 — Southwest Auto Au tion, Chandler, Ariz.; Mid A Auto Auction, North Little Roc Ark.; Arena Auto Auction, Ch cago; Columbus Fair Auto Auctio Columbus; Manheim Auto Au tion, Manheim, Pa.; and St. Lou Auto Auction, Bridgeton, Mo.

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Jan. 10 — Indianapolis Au Auction, Indianapolis; Metro Au Auction of Kansas City, Lee Summit, Mo.; Minneapolis Nort star Auto Auction, Shakope Minn.; Golden Gate Auto Auctio Fremont, Calif.; and Statesvil Auto Auction, Statesville, N.C.

Jan. 11 — Amarillo Auto Au tion, Amarillo, Texas; Denver Au Auction, Aurora, Colo.; Aptco Au Auction, Taylor, Mich.; Butl Auto Auction, Gibsonia, Pa.; Big Auto Auction, Houston; and Nas ville Auto Auction, Nashvill Tenn.

Jan. 16 — Southern Auto Au tion, East Windsor, Conn.; Dall Auto Auction, Grand Prairi Texas; Fresno Auto Dealers Au tion, Fresno, Calif.; and Flori Auto Auction of Orlando, Ocoe Fla.

Jan. 17 — Albuquerque Au Auction, Albuquerque, N.M.; A lanta Auto Auction, Atlanta; Bal more-Washington Auto Exchang Baltimore; Clanton's Auto Auctio Darlington, S.C.; Mississippi Au Auction, Hattiesburg, Miss.; a Omaha Auto Auction, Omah Neb.

Jan. 18 — Arena Auto Auctio Chicago; Columbus Fair Au Auction, Columbus, Ohio; S Louis Auto Auction, St. Louis; a Utah Auto Auction, West Boun ful, Utah

Jan. 23 — A.D.E. of Birmin ham, Moody, Ala.; National Au Dealer Exchange, Bordentow N.J.; and Florida Auto Auction Orlando, Ocoee, Fla.

Toyota

Dec. 19 — Newburgh Auto Au tion, Newburgh, N.Y., and Sou Seattle Auto Auction, Kent, Wash

Dec. 21 — St. Louis Auto Au tion, Bridgeton, Mo.

Model-year breakdown

Used car value, auction average

Year	1st half Oct.	1st half Nov.	1st half Dec.
1989	$9,788	$9,635	$9,675
1988	7,143	7,050	6,996
1987	5,677	5,678	5,624
1986	4,879	4,731	4,[illegible]
1985	3,984	3,930	3,905
1984	3,025	3,077	3,100
1983	2,373	2,360	2,300
1982	1,838	1,904	1,790
Overall average	$5,122	$5,231	$5,498

Source: NCDA Official Used Car Guide